DEPARTMENT OF DEFENSE APPROPRIATIONS FOR FISCAL YEAR 2006

WEDNESDAY, MARCH 9, 2005

U.S. SENATE,
SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS,
Washington, DC.

The subcommittee met at 10 a.m., in room SD–192, Dirksen Senate Office Building, Hon. Ted Stevens (chairman) presiding.

Present: Senators Stevens, Cochran, Hutchison, Burns, Inouye, Leahy, Durbin, and Mikulski.

DEPARTMENT OF DEFENSE

DEPARTMENT OF THE ARMY

OFFICE OF THE SECRETARY

STATEMENT OF HON. FRANCIS HARVEY, SECRETARY OF THE ARMY

ACCOMPANIED BY GENERAL PETER J. SCHOOMAKER, CHIEF OF STAFF OF THE ARMY

OPENING STATEMENT OF SENATOR TED STEVENS

Senator STEVENS. Good morning, Mr. Secretary, General. We're going to receive testimony from the Secretary of the Army, the Army Chief of Staff. Secretary Harvey, we welcome you. It's your first appearance before our subcommittee, and we look forward to working with you during these challenging times. They're difficult for all of us, but we're anxious to hear your plans for sustaining the force.

I want to welcome some soldiers attending today, Sergeant First Class Jason Straight, of the Army Reserve, Operations Sergeant for the 459th Engineering Company, Staff Sergeant Clarke Caporale, Army National Guard from New York, Information Assurance Manager, at the Joint Forces Headquarters in New York, and Sergeant—Staff Sergeant Thomas Kenny, the Active Component Rifle Squad Leader of the 2nd Platoon of the 502nd Infantry of the 101st Airborne. I'm sorry to have botched up those introductions, gentlemen.

We welcome you all, and we're honored to have you here with us, and we thank you for your service, as we thank all of you for your service.

General Schoomaker, we welcome you to the subcommittee and look forward to your testimony. We will later welcome Senator Mi-

kulski, who is a new member of our subcommittee and will be very valuable to us as we go forward.

This initiative known as "modularity" is designed to reduce stress on the force by creating more deployable units and to ensure our soldiers are properly equipped when they rotate into theater operations. It's an ambitious endeavor, General and Mr. Secretary, that we must balance with many other budgetary challenges facing the Army and the whole Department. These include recruiting and retaining an all-volunteer force, improving the protection systems, recapitalization of damage to destroyed equipment, and reposturing our forces around the globe. In addition to that, we are fielding new technologies for the warfighter.

The fiscal year 2006 budget proposal totals $98.6 billion for the Army, and the supplemental request before us—that and the supplemental request before us are critical for addressing these issues. It's imperative we exercise due diligence in reviewing the requests, and we want to work with you to ensure that our Army is provided the resources necessary to accomplish its mission and to continue the momentum toward the democratization of the Middle East.

I want to turn this over now to my co-chairman and see if he has comments before we ask you to prepare—to give us your remarks.

STATEMENT OF SENATOR DANIEL K. INOUYE

Senator INOUYE. I thank you very much, Mr. Chairman. I wish to join you in welcoming General Schoomaker and Dr. Harvey, our new Secretary of the Army.

The Army is now undergoing a period of challenge and change, and the pace of overseas operations is clearly straining our Active, Guard, and Reserve forces. And we know that it's not going to be an easy job, but we stand to work with you, sir.

And may I have my full statement made part of the record?

Senator STEVENS. Yes, sir, it will be.

[The statement follows:]

PREPARED STATEMENT OF SENATOR DANIEL K. INOUYE

Today we welcome the Army Chief of Staff, General Schoomaker, along with Dr. Francis Harvey, the Army Secretary. Mr. Secretary, we welcome you here for your first appearance before this committee.

Gentlemen, the Army is undergoing a period of challenge and great change. The pace of overseas operations is clearly straining our Active, Guard and Reserve forces.

At the same time, we are implementing the first phase of Army transformation with the creation of Stryker brigades. And, to complicate matters further, the Army is proceeding with its modularity initiative, restructuring its divisions with a goal of increasing combat capability by creating an additional 10 brigade combat teams.

The cost of these efforts, both in stress and monetary resources, is understandably high.

We are informed that the Army was unable to meet its recruiting goal for active duty soldiers last month and also falling short of the recruiting goals of the Reserve forces.

In this period of change we have seen the termination of the Comanche helicopter and the Crusader, and the restructuring of the future combat system program and Army aviation.

The Congress has fully supported the Army even adding more than $600 million in fiscal year 2005 to accelerate equipment for the Stryker brigades, but more is required.

In the supplemental request, we find an unprecedented request of $5 billion to support modularity, and the creation of brigade combat teams. Some of our col-

leagues have questioned the propriety of using an emergency supplemental to pay for this new initiative.

So, I believe it is obvious that this is a period of great upheaval. Gentlemen, I don't know how you are able to balance all of these issues in this time of war. I tip my hat to you.

As you know, this committee has been steadfast in its support of the Army. I can assure you that we will do our best to support the needs of our men and women in uniform especially during this trying time.

Mr. Chairman, I look forward to hearing our witnesses discuss the many challenges facing the Army and their plans to meet them head on.

Senator STEVENS. Senator Leahy, do you have any opening comments?

Senator LEAHY. I don't, Mr. Chairman. I will have questions, though.

Senator STEVENS. Thank you very much.

Mr. Secretary, we're pleased to have your statement. Both of your statements will appear in the record in full, as though read, but we'd take your comments, whatever you wish to say.

Secretary HARVEY. Thank you, Mr. Chairman.

Chairman Stevens, Senator Inouye, and distinguished members of the subcommittee, General Schoomaker and I appreciate the opportunity to be here this morning and to offer testimony on the posture of the United States Army, which today is conducting operations in Iraq, Afghanistan, and some 120 other countries around the world.

Let me begin by saying a few words about the great soldiers of our Army, the centerpiece of our formations.

Our Nation is blessed with the world's finest Army, an all-volunteer force representing the best our country has to offer. On that note, General Schoomaker and I are pleased to be joined today by three soldiers who, in turn, represent the over 1 million soldiers in our Army. The Chief will introduce these soldiers to you at the end of my opening statement.

The events of 9/11 radically altered the realities of America's security environment, making it clear that the United States is in a protracted war against a global enemy that fights with different means and standards of conduct that includes a total disregard for human life. To be successful in this protracted conflict, we must transform our Army to be more expeditionary, joint, rapidly deployable and adaptive, as well as enhance our capabilities across the entire range of military operations, from major combat to stability.

To accomplish our mission of providing the necessary forces and capabilities to the combatant commanders in support of the national security and defense strategies, we have developed and are executing four overarching and interrelated strategies supported by 20 initiatives. Transformation is ingrained in all of these strategies, as well as in each one of the initiatives.

These strategies are: first, providing relevant and ready land power to the combatant commanders; second, training and equipping our soldiers to serve as warriors and growing adaptive leaders; third, attaining a quality of life for our soldiers and their families that match the quality of their service; and, finally, providing the infrastructure to enable the force to fulfill its strategic roles and missions.

We are implementing these strategies by means of 20 supporting initiatives. In executing these initiatives, our actions will, at all times and in all places, be guided by the highest of ethical standards. Among the nine initiatives supporting our strategy of providing relevant and ready land power, I want to emphasize our major transformational effort, the Army modular force initiative.

This initiative involves the total redesign of the operational Army into a larger, more powerful, more flexible, and more rapidly deployable force that will move us from a division-centric structure to one built around what we call the Brigade Combat Team Unit of Action.

Let me note here that when discussing the size and power of the Army, one should not only talk about end strength, because the Brigade Combat Team is a much more capable and powerful unit. It is more useful to talk about the number of units, as well as the power—combat power of those individual units.

The combat power of an individual unit is not only a function of people strength, but also the technology and quality of the equipment, particularly the weapons systems and the information network, the effectiveness of the tactics, techniques, and procedures, the adaptability and flexibility of the organization, the level of training, and, finally, the caliber and quality of the leadership. At the end of the day, it is the combat power of the operational Army that counts.

There is another important point to be made regarding Army end strength. Because we are initiating a number of initiatives to transform the way the Army does business, including the conversion of military jobs to civilian ones in that part of the Army which generates the force, the so-called "institutional Army," it is possible to increase personnel strength of the operational Army without necessarily increasing overall end strength.

Now, returning to the Army modular force initiative, the Brigade Combat Team Unit of Action is a standalone, self-sufficient, and standardized tactical force of between 3,500 and 4,000 soldiers that is organized the way it fights. Consequently, these brigades are more strategically responsive across the broad spectrum of operations required by the 21st century security environment.

This transformational effort will result in a force with a number of key advantages. First, there will be at least a 30-percent increase in our Active component's combat power by 2007, an increase from 33 to 43 Brigade Combat Teams. Second, the number of usable Brigade Combat Teams in the rotational pool will increase from 48 to 77. Third, the headquarters will be joint-capable and organized the way it will operate in theater. Fourth, future network-centric developments can be readily applied to the modular force design as the first step in evolving the Brigade Combat Team Unit of Action into a future combat system design. Finally, and very importantly, when complete, modularity in combination with rebalancing the type of units in both the Active and Reserve components will significantly reduce the stress on the force because of a more predictable rotational cycle for all components, coupled with much longer dwell times at home base.

With our four overarching strategies and 20 supporting initiatives, in conjunction with a fully funded base budget and supple-

mental, the Chief and I are confident that the Army can accomplish its mission and reach our strategic goal of being relevant and ready both today and tomorrow.

Let me end by saying that none of this would be possible without the continuing strong support of Congress and, specifically, the Defense Subcommittee of the Senate Appropriations Committee. Thank you for this past support. And I ask for your full support on the base budget request, as well as the supplemental.

General Schoomaker will now introduce the three soldiers with us today. And, after that, we'll be more than happy to answer the questions.

Thank you.

Senator STEVENS. You can tell us more about them if you'd like, General.

General SCHOOMAKER. Sure, I'd like to.

Chairman Stevens and Senator Inouye and other distinguished members of the subcommittee, I stand with Secretary Harvey on his statement, and we've submitted our posture statement and written statements for the record, as you've said.

I would like to introduce these three soldiers. They've earned the right to sit in the front row and observe how our Government works. And we're very proud of them. As we've already said, they're the centerpiece of our Army. And I invited them here so they could have that front-row seat, they represent all three components, the Active, Guard, and Reserve components of our Army.

The first is Sergeant First Class Jason Straight, who is from the United States (U.S.) Army Reserve. He deployed with his unit from West Virginia. He deployed with the Bridge Company from January 2003 to February 2004. He was first attached to the 1st Marine Expeditionary Force, and they are the ones that forged the river—the Tigris River to allow the marines to advance. They did it under fire, put the bridge in so that they could proceed in their attack to Baghdad. In addition to bridge construction, his unit was involved in the destruction of enemy ammunition, doing mine clearance activities and destroying other foreign ammunition that was over there. So we're very proud of him. And he represents the great soldiers of our U.S. Army Reserve. Thank you very much, Sergeant Straight.

The next soldier I'd like to introduce is Staff Sergeant Clarke Caporale. Sergeant Caporale is from New York. He's a member of the National Guard. He's a mortarman. And during his time deployed on Operation Iraqi Freedom (OIF) from February 2004 to January 2005, he was involved in firing over 150 missions in combat with his mortar element. He was also one of the soldiers that became a primary trainer for the Iraqi National Guard and was involved in training Company D of the 203rd Battalion Iraqi National Guard. He was a member of the joint coordination cell and the staff in the province there where he was. He earned a Combat Infantryman's Badge and the Expeditionary Medal for the Global War on Terrorism. Thank you.

Staff Sergeant Thomas Kenny is a member of the regular Army. He is 11-Bravo Rifle Squad Leader, Infantry, 2nd Battalion, 502 Infantry of the 101st Airborne. Staff Sergeant Kenny participated in the initial assaults through Iraq, moving north through Karbala,

Baghdad, Fallujah, and Mosul, beginning in March 2003 through February 2004. His unit established numerous hard sites that are still in use today in Mosul. He was also involved in overseeing the exchange of the Hussein-era Iraqi dinars to the post-liberation dollars. He also has earned the Combat Infantryman's Badge, been decorated for both the campaign in Iraq, as well as in Kosovo, where he was involved in the campaign there.

So, again, we're very proud of these soldiers. They represent the centerpiece of our Army, and I join you in my great respect for their service and what they contribute to the security of our Nation.

PREPARED STATEMENT

So thank you very much. I'm prepared to answer your questions. [The statement follows:]

PREPARED STATEMENT OF THE HONORABLE FRANCIS J. HARVEY AND GENERAL PETER J. SCHOOMAKER

FEBRUARY 6, 2005.

America remains a nation at war, fighting adversaries who threaten our civilization and way of life. The most significant aspect of our current strategic reality is that the Global War on Terror in which we are now engaged will be a protracted one.

The Army's primary mission is to provide necessary forces and capabilities to the Combatant Commanders in support of the National Security and Defense Strategies. We have more than 300,000 Soldiers deployed or forward stationed today to support operations in Iraq, Afghanistan, and other theaters of war and to deter aggression, while securing the homeland. We are fighting today while simultaneously preparing for tomorrow.

To continue to accomplish our mission, we are aggressively restructuring the Army. We are transforming from a force designed for contingency operations in the post-Cold War era to a force designed for continuous operations in a new era that presents challenges to the Nation ranging from traditional to potentially catastrophic.

The Army is dependent upon the resources requested in the fiscal year 2006 President's Budget, coupled with emergency supplemental appropriations, to support current operations. These funds will also enable the force to recover from the stress placed on equipment and Soldiers during combat and continually "reset" itself for future deployments. Moreover, these resources are required to continue to transform the Army into a larger, more powerful force built on self-sufficient brigade-based modules. This force will be more flexible, more rapidly deployable and better able to sustain the protracted military campaigns and conduct the joint, expeditionary operations required by the 21st century security environment.

We are sustaining our global commitments while making tremendous progress in our transformation. We will need the continued support of the Congress, the President, and the American people to accomplish our mission today and tomorrow, while providing for the well-being of our All-Volunteer Soldiers, their families and our civilian workforce who are serving the Nation in this time of war.

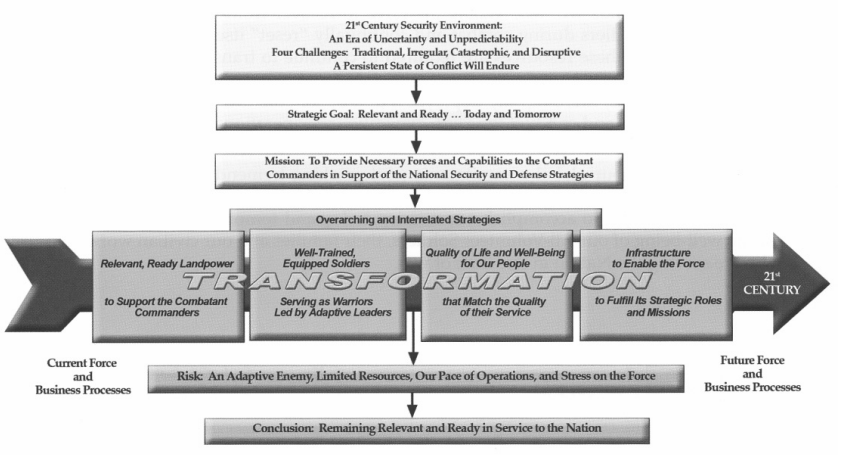
PETER J. SCHOOMAKER,
General, United States Army Chief of Staff.

FRANCIS J. HARVEY,
Secretary of the Army.

PURPOSE AND ORGANIZATION OF THE POSTURE STATEMENT

The 2005 Army Posture Statement provides an overview of today's Army. Focusing on the Soldier, our centerpiece, it provides a perspective on the 21st century security environment. This environment provides the context for reaffirming our overarching Strategic Goal and our enduring Mission. The Posture Statement describes how the Army is executing four overarching, interrelated strategies—centered on people, forces, quality of life and infrastructure—needed to accomplish this Mission. Our initiatives, posture, progress, and requirements are explained within the con-

text of these strategies. Army transformation is described not as an end in itself, but rather in terms of how it is already contributing to accomplishing the Mission today, while preparing the force to accomplish its Strategic Goal—to remain relevant and ready to meet the Combatant Commanders' needs—today and tomorrow. A discussion of Risk and an examination of future security challenges are furnished to complete this assessment of our current posture as we continue to serve the Nation today, while preparing for the uncertainties of tomorrow.



2005 ARMY POSTURE STATEMENT EXECUTIVE SUMMARY

21st Century Security Environment: An Era of Uncertainty and Unpredictability

Operating within an uncertain, unpredictable environment, the Army must be prepared to sustain operations during a period of persistent conflict—a blurring of familiar distinctions between war and peace.

To improve our ability to provide forces and capabilities to the Combatant Commanders for the foreseeable future, the Army is undergoing its most profound restructuring in more than 50 years.

With the support of the Congress, the President, and the Department of Defense, we are making tremendous progress.

Transforming to Accomplish the Mission: Modularity, Rebalancing, and Stabilization

Army Transformation is focused to improve the capability of the Soldier, who remains the centerpiece of our formations. It has four primary goals.

—First, we are restructuring from a division-based to a brigade-based force. These brigades are designed as modules, or self-sufficient and standardized Brigade Combat Teams, that can be more readily deployed and combined with other Army and joint forces to meet the precise needs of the Combatant Commanders. The result of this transformational initiative will be an operational Army that is larger and more powerful, flexible and rapidly deployable.

—This program, which we call modularity, will increase the combat power of the Active Component by 30 percent as well as the size of the Army's overall pool of available forces by 60 percent. The total number of available brigades will increase from 48 to 77 with 10 active brigades (three-and-a-third divisions in our old terms) being added by the end of 2006. Our goal for this larger pool of available forces is to enable the Army to generate forces in a rotational manner that will support two years at home following each deployed year for active forces, four years at home following each deployed year for the Army Reserve and five years at home following each deployed year for National Guard forces. Implementing this program will provide more time to train, predictable deployment schedules, and the continuous supply of landpower required by the Combatant Commanders and civil authorities.

—The force, above the brigade level, will be supported by similarly modular supporting brigades that provide aviation, fires, logistics, and other support. Our headquarters structure will also become far more versatile and efficient as we eliminate an entire echelon of command—moving from three to two levels. Simi-

lar innovations will occur in the logistics and intelligence organizations that support our forces and other Services.

—Our restructuring is already well underway. The 3rd Infantry Division, the vanguard of the invasion of Iraq, will return to Iraq as a restructured, modular force.

—Second, we are rebalancing our active and reserve forces to produce more units with the skills in highest demand. This will realign the specialties of more than 100,000 Soldiers, producing a 50 percent increase in infantry capabilities, with similar increases in military police, civil affairs, intelligence, and other critical skills. We have already converted more than 34,000 spaces.

—Third, Soldiers are being stabilized within units for longer periods to increase combat readiness and cohesion, reduce turnover and eliminate many repetitive training requirements. With fewer Soldiers and families moving, more Soldiers will be available on any given day to train or to fight. This initiative, started in 2004, also transitions our Army from an individual replacement manning system to a unit focused system—to prepare Soldiers to go to war as vital members of cohesive units.

—Fourth, we are working to complement our operational transformation by ensuring that our business, force generation and training functions improve how we support a wartime Army and the other Services. We are divesting functions no longer relevant and reengineering business processes to increase responsiveness to the Combatant Commanders. Other improvements include developing a joint, interdependent end-to-end logistics structure, and fostering a culture of innovation to increase institutional agility. We seek to improve effectiveness and identify efficiencies that will free human and financial resources to better support operational requirements.

Balancing Risk: The Tension Between Current and Future Demands

The Army is grateful for the support of the Congress, the President, the Department of Defense, and the American people as we fight the Global War on Terror. Continued support—financial and moral—is vital. This year, like previous years since September 11, the Army's base budget supports force generation and sustainment operations and the supplemental budget request supports wartime efforts. The combination of these spending measures is needed to enable the Army to:

—Recruit and retain the All-Volunteer Force and their families by enabling the establishment of equitable rotation plans and improving quality-of-life programs;

—Generate and sustain a force that is properly manned, trained and led, in order to prevail in the Global War on Terror, while sustaining other global commitments;

—Enhance Soldiers' ability to fight by rapidly spiraling promising technologies that are ready now into the Current Force; and

—Reset the force by repairing and recapitalizing equipment that is aging rapidly—far faster than projected—due to sustained combat operations in severe environmental conditions.

The scale and the pace of Army transformation is essential to improve the ability of American Soldiers to defeat adversaries who will pose complex, irregular challenges that are becoming increasingly more sophisticated and dangerous than those we now face.

Focusing Resources on Wartime Requirements: Major Decisions in 2004

The Army benefited from three major decisions in 2004, all providing resources to address immediate wartime needs. The Army restructured or adjusted 126 programs. Two of these programs had the most significant impact. First, the Army cancelled the Comanche Program and reinvested the savings into other urgent aviation requirements. This decision enabled us to begin purchasing new airframes, fix many equipment shortfalls, enhance survivability, and begin modernizing our fleet. Second, we modified the schedule for fielding Future Combat Systems to put better capabilities into the hands of our fighting Soldiers. Third, Congress provided the authority to increase Active Component end strength by 30,000 Soldiers to support the war and the Army's conversion to modular formations.

Our Army at War—Relevant and Ready . . . Today and Tomorrow

Our Nation remains at war. Soldiers understand their mission. They are well equipped and trained for the fight. They are well led by excellent leaders. Our transformation is already enhancing our capabilities today, while ensuring our preparedness for tomorrow. These efforts, however, will require full support of the base budget and supplemental.

21ST CENTURY SECURITY ENVIRONMENT: AN ERA OF UNCERTAINTY AND UNPREDICTABILITY

We remain an Army at War. It is a war unlike any other in our Nation's history, prosecuted not by states, but by extremists employing irregular means to erode our power and resolve. Our adversaries threaten the ideas that form the bedrock of our society, endangering our freedoms and way of life. Fueled by an ideology that promotes intractable hatred, this war will endure in some form for the foreseeable future. The Army, in service to the Nation, must therefore be prepared to sustain operations during a period of persistent conflict—a blurring of familiar distinctions between war and peace. This is the most significant aspect of the 21st century security environment.

The emergence of unconventional and asymmetric threats, such as radical Islamic terrorist efforts aimed at the United States and other developed countries, has stretched the U.S. military. Protection afforded by geographic distance has decreased, while challenges and threats from extremists using weapons of mass destruction and attacks on civilian, military and economic targets have increased. While the current trend toward regional and global integration may render interstate war less likely, the stability and legitimacy of the conventional political order in regions vital to the United States are increasingly under pressure.

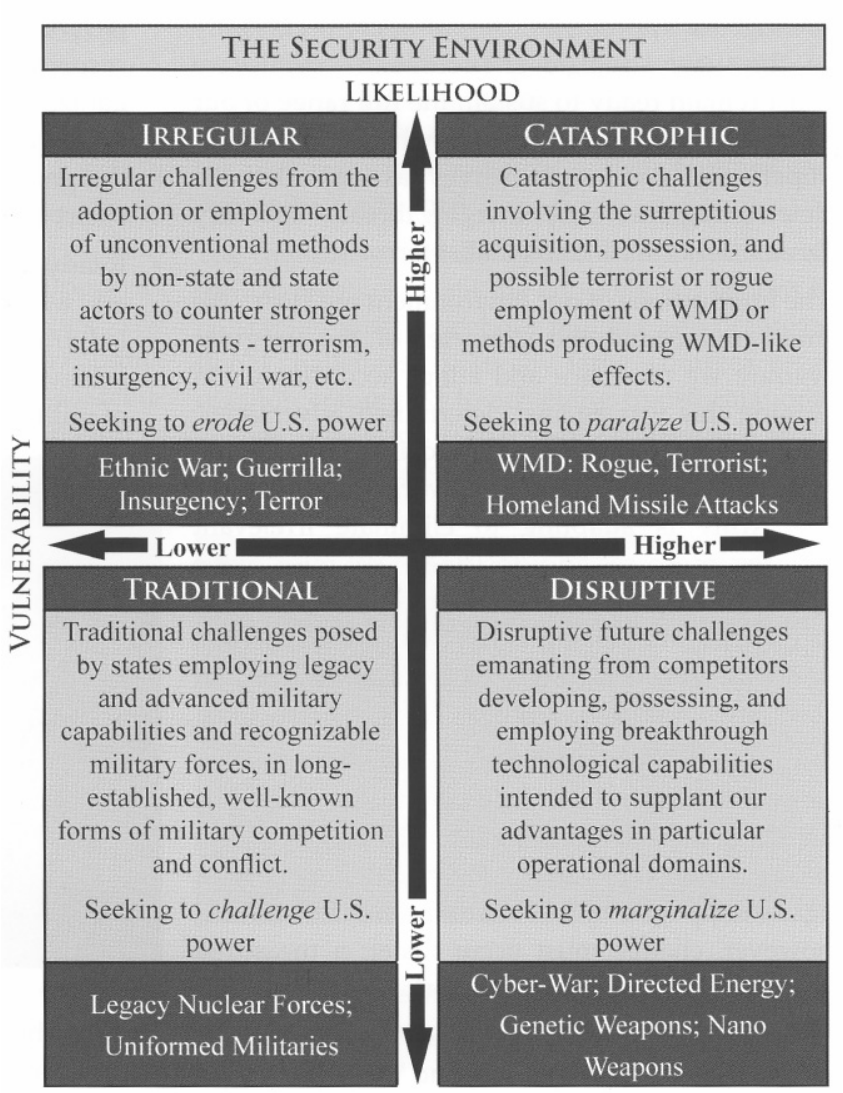


FIGURE 1

There are now new actors, methods and capabilities that imperil the United States, its interests and its alliances in strategically significant ways. The Defense Strategy has identified four types of emerging security challenges for U.S. forces: irregular, traditional, catastrophic and disruptive. The "Four Challenges," described in Figure 1, categorize many of the issues expected in the future security environment. In many situations, these challenges may overlap, may occur simultaneously and may offer no easily discernible transition from one to another.

The Defense Strategy still recognizes the traditional threat paradigm, focused primarily on other states and known enemies. In the aftermath of September 11, 2001, however, it is no longer sufficient to be prepared to defend only against this type of threat. Our old concepts of security, deterrence and warning, developed through traditional intelligence approaches, do not apply sufficiently in this new strategic environment. While we must remain ready to sustain the full range of our global

commitments, our overwhelming military superiority no longer serves as an adequate deterrent against many emerging threats, especially those of radical fundamentalist terrorists.

The implications of our environment are clear. We must understand the character of the irregular warfare we now face and adapt accordingly. In waging this war against determined adversaries, we have arrayed a vast, hierarchical organization against an elusive, adaptive network. Consequently, the Army is adapting to eliminate irrelevant policies, processes and doctrines. We must move beyond marginal improvements in our efforts to strengthen interdependencies with other Services and other agencies and reinforce a culture that fosters innovation and agility.

To respond to the challenges presented in this era of uncertainty and unpredictability, the Army has accelerated its transformation. During times of peace, change is generally slow and deliberate—at a pace supported by limited resources. In wartime, however, change must occur faster; a measured approach to change will not work.

We must remain ready to sustain the full range of our global commitments beyond those associated with the Global War on Terror. At the same time, the Army must be prepared to conduct sustained operations during a period of protracted conflict.

STRATEGIC GOAL: REMAINING RELEVANT AND READY . . . TODAY AND TOMORROW

In light of the uncertainty and the challenges inherent to the 21st century security environment, the Army's overarching strategic goal is to remain relevant and ready by providing the Joint Force with essential capabilities to dominate across the full range of military operations. The Army will be:

—Relevant to the challenges posed by the global security environment as evidenced by the organization and training of our forces, the innovation and adaptability of our leaders and the design and practices of our institutional support structures.

—Ready to provide the Combatant Commanders with the capabilities—principally well-led, trained and equipped forces—required to achieve operational objectives across the range of military operations.

To meet this goal, the Army must position itself in terms of mindset, capability, effectiveness, efficiency, training, education, leadership and the overall culture of the Service for the context in which it will operate for the foreseeable future.

The American Soldier remains our primary focus—the centerpiece of all that we do as an Army. Throughout our history, Soldiers have answered the call to end tyranny, to free the oppressed and to light the path to democracy for struggling nations. Soldiers—imbued with the ideals of the Warrior Ethos, a commitment to defend the freedoms that America enjoys and an unwavering belief that they will be victorious—are, and will remain, the foundation of the Army.

MISSION: SUPPORTING THE NATIONAL SECURITY AND DEFENSE STRATEGIES

The Army exists to serve the American people, to protect enduring national interests and to fulfill national military responsibilities. Our mission is enduring: to provide necessary forces and capabilities to the Combatant Commanders in support of the National Security and Defense Strategies. The Army is charged to provide forces able to conduct prompt, sustained combat on land as well as stability and reconstruction operations, when required. Moreover, the Army is charged to provide logistical and other capabilities to enable other Services to accomplish their missions.

To achieve its mission, the Army is providing the Joint Force with capabilities required to prevail in the protracted Global War on Terror and sustain the full range of its global commitments. At the same time, the Army is undergoing one of its most profound transformations since World War II. Army Transformation will meet the needs of Joint Force Commanders today and tomorrow, by providing a campaign-quality Army with joint and expeditionary capabilities. A continuous cycle of innovation and experimentation, informed by experience, is improving the forces and capabilities we are providing today and ensuring that we are well postured for tomorrow's challenges.

We are working to create a unique synergy from both of our tasks, fighting today while transforming for tomorrow, to ensure we "get it right." The size and mix of our components and capabilities must be in balance. Our global posture, both at home and abroad, must enhance agility and readiness to conduct expeditionary operations on short notice. In addition, the force must be designed, equipped, sustained and supported in a manner that will enable us to continue to be effective

partners, with the other Services and the armed forces of other nations, in the conduct of sustained, protracted military campaigns.

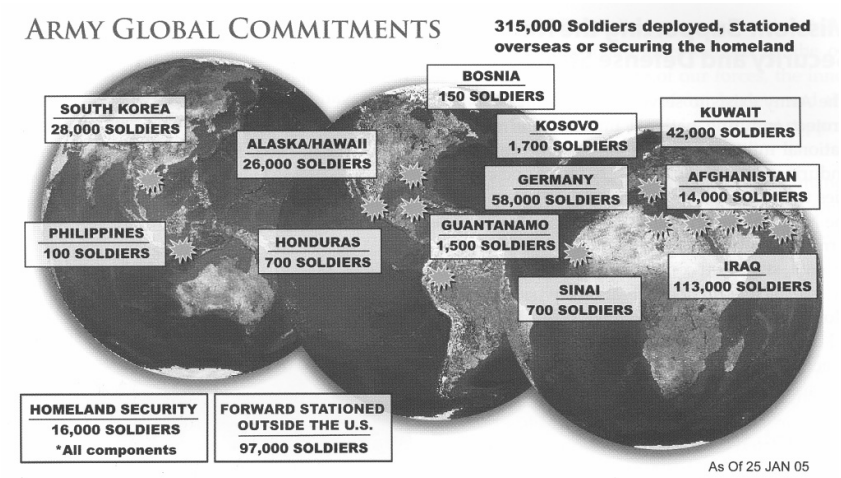
Soldiers remain at the center of our transformation focus. Soldiers are the Army. It is the Soldier—fierce, well trained, well equipped and well led—who serves as the ultimate expression of the capabilities the Army provides to the Joint Force and to the Nation. As always, we remain dedicated to the well-being of our Soldiers, their families and our civilian workforce.

The character and skill of our Soldiers, leaders and civilian workforce and the attitudes and actions of our family must reflect our military and organizational challenges. Like any large, complex organization committed to achieving transformational change, our efforts to change our culture will prove to be our true measure of success.

Guided by the compelling requirement to accomplish our mission in service to the Nation, the Army is changing now—and making tremendous progress. With the continued support of Congress and the Department of Defense, we will maintain the momentum we have established, through our collective efforts, to transform capabilities, processes, leadership and culture.

ACCOMPLISHING THE MISSION TODAY: SUSTAINING GLOBAL COMMITMENTS

The Army's first priority is to sustain its increasing global commitments that extend across the full range of military missions, well beyond those associated with the Global War on Terror. Today, our Current Force is engaged, across the range of military operations, in ways we could never have forecasted before September 11, 2001, operating at a very high pace that will likely continue for some time.



The Army is providing forces and capabilities for Operation Iraqi Freedom, for Operation Enduring Freedom and for other global requirements. The Army continues to deter aggression and keep peace on the Korean Peninsula, on the Sinai Peninsula, in the Balkans and elsewhere around the world. In addition, the Army supports numerous humanitarian assistance missions and supports organizations such as Joint Task Force Bravo in Central America to counter illicit narcotics trafficking.

Today, approximately 640,000 Soldiers are serving on active duty. 315,000 Soldiers are deployed or forward stationed in more than 120 countries to support operations in Iraq, Afghanistan and other theaters of war and deter aggression, while securing the homeland. These Soldiers are from all components: Active (155,000), Army National Guard (113,000) and Army Reserve (47,000). Soldiers participate in homeland security activities and support civil authorities for many different missions within the United States. A large Army civilian workforce (over 250,000), reinforced by contractors, supports our Army—to mobilize, deploy and sustain the operational forces—both at home and abroad.

Soldiers from the Army National Guard and the Army Reserve are making a vital contribution. 150,000 Soldiers are mobilized and performing a diverse range of missions worldwide. In addition to their duties overseas, Soldiers from both the Guard

and the Reserve supported civil authorities during disaster relief operations, such as those which occurred in Florida following four major hurricanes.

On any given day, the Army National Guard has more than 10,000 Soldiers on duty to protect key assets across the Nation, including Air Force bases. More than 24,000 Soldiers provided security for both the Democratic and Republican National Conventions and the Group of Eight Summit. National Guard Soldiers are also promoting stability in Iraq and in the Balkans, while performing complex, vital tasks such as U.S. Northern Command's ballistic missile defense mission. Guard Soldiers, operating in an unprecedented role, are organizing and training a multicomponent brigade in Colorado and a battalion in Alaska to execute the newly assigned mission.

The Army Reserve, in addition to providing vital support for operations in Iraq and Afghanistan, is providing a wide range of response capabilities in the event of an attack on the homeland. This support includes almost 200 emergency preparedness liaison officers that interact with local communities. The Reserve has also fielded and trained 75 chemical decontamination platoons with more than 2,400 Soldiers for mass casualty operations and more than 250 fully equipped hazardous material technicians to train with local first responders.

ENABLING MISSION ACCOMPLISHMENT: FOUR OVERARCHING, INTERRELATED STRATEGIES

To enable mission accomplishment, the Army is executing four overarching, interrelated strategies. These strategies seek to accomplish the Army's mission, consistent with the requirements prescribed by the National Security and Defense Strategies. These strategies are enabling the Army to continue to accomplish its mission today—in service to the Nation—while building and maintaining the capabilities to ensure the Army remains relevant and ready to the needs of the Combatant Commanders tomorrow. The Army is:

—Providing Relevant and Ready Landpower in support of the Combat Commanders and the Joint Force to sustain the full range of our global commitments;

—Training and Equipping our Soldiers to Serve as Warriors and Growing Adaptive Leaders who are highly competent, flexible and able to deal with the 21st century challenges they now confront;

—Attaining a Quality of Life and Well-Being for Our People that match the quality of the service they provide; and

—Providing Infrastructure to Enable the Force to Fulfill its Strategic Roles by establishing and maintaining the infrastructure and the information network required to develop, to generate, to train and to sustain the force.

These interrelated strategies serve to unify our collective efforts. Relevant, Ready Landpower depends on Soldiers who are well trained, equipped and led. Soldiers must be supported by high Standards for Quality of Life and modern infrastructure to Enable the Force to Fulfill its Strategic Roles and Missions.

The Army's current posture, initiatives and progress are described within the context of these interrelated strategies. The initiatives demonstrate how the strategies are being executed and, in a broader sense, the resources required to execute them. Transformation is the central thread which runs through each of these strategies.

Army transformation represents much more than improvements in equipment or warfighting methods. It is a multidimensional, interdependent process that involves:

—Adapting new technologies and business operations;

—Improving joint warfighting concepts and business processes;

—Changing organizational structures; and

—Developing leaders, people and culture that reflect the realities of our operating environment.

PROVIDING RELEVANT AND READY LANDPOWER TO SUPPORT THE COMBATANT COMMANDERS

Building a Campaign-Quality Force with Joint and Expeditionary Capabilities

"Campaign qualities" refers to the Army's ability not only to win decisively in the conduct of combat on land but also in its ability to sustain operations. The Army supports the Combatant Commanders and the Joint Force, other agencies and coalition partners, for as long as may be required.

The Army continues to improve strategic responsiveness in two ways. First, the Army is becoming more expeditionary. We are improving our ability to deploy rapidly to conduct joint operations in austere theaters. Our enemies are elusive, adaptive and seek refuge in complex terrain, often harbored by failed or failing states. They fully leverage many of the same technologies we do such as the Internet and

satellite communications. To improve on our joint warfighting proficiency we are embracing these conditions in deployment scenarios, training and education.

Second, we have improved our review and resourcing procedures to anticipate and support the Integrated Priority Lists developed by the Combatant Commanders. Likewise, we are continuing to anticipate and respond with urgency to our commanders' needs.

Enhancing Joint Interdependence

Each branch of the Armed Forces excels in a different domain—land, air, sea and space. Joint interdependence purposefully combines each Service's strengths, while minimizing their vulnerabilities. The Army is ensuring that our systems are fully complementary with the other Services.

We are working aggressively with the other Services to improve the ability to dominate across the range of military operations. Our efforts embrace two characteristics of modern warfare. First, technology has extended the reach of modern weapon systems to the extent that collective force protection and anti-access techniques are necessary, even in facing irregular, asymmetric challenges. Second, the other Services' capabilities to dominate air, sea and space have direct impact on ground forces' ability to dominate on land.

Our new modular formations will operate better in joint, multinational and interagency environments. These formations are designed to enhance joint concepts for battle command, fires and effects, logistics, force projection, intelligence, as well as air and missile defense. Our joint training opportunities will continue to improve as we work with Joint Forces Command and the other Services to develop a Joint National Training Capability. The planning, scenarios, connectivity and overall realism we are working to create will enhance critical joint operations skills for commanders and Soldiers.

The ultimate test of joint initiatives is the Soldier. If a concept does not empower Soldiers, then we have to question its relevance. We are continuing our work to ensure that emerging capabilities and training requirements are created joint from the outset.

Resetting the Force

Major combat and stability operations in Iraq and Afghanistan are placing tremendous demands on our equipment and our Soldiers. As a result, we must reset those units—by preparing Soldiers and their equipment for future missions—often as part of new modular formations. We use this opportunity to reset our units forward to the future—not to return them to their legacy designs.

The major elements of our Reset Program include:

—Providing considerable training and professional development for Soldiers and leaders;

—Bringing unit readiness back up to Army standards;

—Reorganizing returning units into modular unit designs;

—Retraining essential tasks to incorporate lessons learned from Iraq and Afghanistan; and

—Adjusting pre-positioned stocks of ammunition and equipment to support the force.

Resetting the force reflects how we care for our people and prepare units for upcoming training and deployments, while positioning the Army to be more responsive to emerging threats and contingencies. Today, the standard for Active and Reserve Component reset is six and twelve months, respectively. Through a focused effort, our reset processes are becoming considerably more efficient in terms of both time and resources. The Army's depot capability and efforts to partner with industry are critical to this effort.

The Reset Program is designed to reverse the effects of combat stress on our equipment. Amidst the constant demands of war, our equipment is aging far more rapidly than projected. Because of higher operational tempo, rough desert environments and limited depot maintenance available in theater, our operational fleets are aging four years for every year in theater—dramatically shortening their life. Over 6,500 tracked and wheeled vehicles must be recapitalized this year alone. An additional 500 aviation systems must also be recapitalized. We will require additional funding to "buy back" some of this age through extensive recapitalization programs as well as replacing combat losses.

The 3rd Armored Cavalry Regiment, the 3rd Infantry Division and 129 of the more than 500 Army Reserve units (over 25 percent) have already completed the Reset Program. The 4th Infantry Division, the 2nd Light Cavalry Regiment, the 10th Mountain Division, the 1st Armored Division, the 76th Infantry Brigade (Indiana), the 30th Infantry Brigade (North Carolina), the 82nd Airborne Division and

the 101st Airborne Division (Air Assault) are in various stages of the Reset Program.

Resetting units is not a one-time event. It is required for all redeploying units. A window of vulnerability exists at the end of our current operations. We project that it will take close to two years after the return of forces from Iraq and Afghanistan to completely refit our forces and to reconstitute the equipment held in our five pre-positioned sets. Only through an appropriately funded Reset Program can we extend the life of the operational fleet to remain ready to support and sustain protracted conflict. Congress has greatly helped the Army by providing supplemental funding to meet this critical need. We will continue to require additional resources to complete this essential work.

Converting to a Brigade-Based, Modular Force

Modular conversion will enable the Army to generate force packages optimized to meet the demands of a particular situation, without the overhead and support previously provided by higher commands. Modular units are tailored to meet the Combatant Commanders' requirements. These units, known as Brigade Combat Teams (BCTs), are more robust, require less augmentation and are standardized in design to increase interoperability. They are, in essence, a self-sufficient, stand-alone tactical force, consisting of 3,500 to 4,000 Soldiers, that is organized and trains the way it fights.

Modular BCTs will serve as the building blocks of Army capabilities. There are three common organizational designs for ground BCTs and five for support brigades. The three designs include a heavy brigade with two armor-mechanized infantry battalions and an armed reconnaissance battalion; an infantry brigade with two infantry battalions and an armed reconnaissance and surveillance battalion; and a Stryker brigade with three Stryker battalions and a reconnaissance and surveillance battalion. Four of the five types of support brigades perform a single function each: aviation; fires; sustain; and battlefield surveillance. The fifth, maneuver enhancement brigade, is organized around a versatile core of supporting units that provide engineer, military police, air defense, chemical and signal capabilities.

By creating a modular, brigade-based Army, we are creating forces that are more rapidly deployable and more capable of independent action than our current division-based organization. Their strategic responsiveness will be greatly improved. Modularity increases each unit's capability by building in the communications, liaison and logistics capabilities needed to permit greater operational autonomy and support the ability to conduct joint, multinational operations. These capabilities have previously been resident at much higher organizational echelons.

We are also eliminating an entire echelon of command above the brigade headquarters, moving from three levels to two. Doing so removes redundancies in command structure and frees additional personnel spaces for use elsewhere. We are also eliminating several layers of logistics headquarters to increase responsiveness, further reduce redundancy and improve joint logistics integration.

In addition, the new higher-level headquarters will become significantly more capable and versatile than comparable headquarters today. These modular headquarters will be able to command and control any combination of capabilities: Army, joint or coalition. Their design, training and mindset will allow them to serve as the core of joint or multinational task force headquarters, with significantly reduced personnel augmentation. This will relieve stress on the force by eliminating a continuing demand to fill headquarters manning requirements on a temporary basis.

The Army is also transforming its Reserve Component structures to the new BCT organization. We are applying the lessons learned in Iraq and Afghanistan to better train, equip, support and generate these units from their home stations. The Army Reserve is developing Army Reserve Expeditionary Packages to better generate and distribute critical force capabilities. This rotational force model streamlines mobilization, training and equipping of units; enhances readiness; and improves predictability for Soldiers, families and civilian employers.

Execution of this transformation is already well underway. As units redeploy from fighting, their conversion process begins. The 3rd Infantry Division and the 101st Airborne Division have already reorganized their existing brigades and created a new brigade each. The 3rd Infantry Division is the first converted unit returning to Iraq. The 10th Mountain Division and the 4th Infantry Division will soon follow. By the end of 2006, we will have added 10 new brigades. Potentially, we will create five more in 2007. The Army National Guard is converting 34 BCTs or separate brigades to modular designs. At the end of our effort, the Army will have 77 and potentially 82 total BCTs.

Rebalancing Active and Reserve Component Units and Skills

Our current Active and Reserve Component structure is not optimized for rapid deployment and sustainment. We are restructuring the force to increase units with special skills that are routinely in high demand by the Combatant Commanders, such as infantry, military police, transportation and civil affairs. Rather than requesting additional force increases, we are decreasing force structure in less demand. When completed, we will have restructured and rebalanced more than 100,000 positions. We have already converted more than 34,000 of these positions.

We are also placing more combat support and combat service support structure into the Active Component to improve deployability and the ability to sustain operations during the first 30 days of a contingency. This increase in high-demand sustainment units will reduce the requirements for immediate mobilization of Reserve Component units.

The Army Reserve's Federal Reserve Restructuring Initiative is another program that is helping to resource units at higher levels by converting or eliminating current force structure and specialties in low demand to increase those in greatest demand. This initiative relieves stress on units in higher demand and adds depth to the Army's operational forces.

Stabilizing Soldiers and Units to Enhance Cohesion and Predictability

To improve unit cohesion and readiness, while reducing both turbulence in units and uncertainty for families, we are changing how we man our units. Our objective is to keep Soldiers in units longer to reduce chronically high turnover rates of Soldiers and leaders, improve cohesion within units and increase training proficiency and overall combat readiness. Units that stay together longer build higher levels of teamwork, understand their duties and their equipment better, require less periodic retraining and tend to perform better during deployments. Fewer moves of Soldiers and their families also saves the Army money.

These assignment policies, now being implemented, will also improve quality of life and predictability for Soldiers, families and civilian employers. Stabilizing Soldiers, which in certain cases, will be challenging to achieve in the near term, will allow their families to build deeper roots within their communities and enjoy better opportunities for spouse employment, continuity of healthcare, schooling and other benefits. This program also reduces the chance of a Soldier moving from a unit that recently redeployed to a unit preparing to deploy. The Army gains more cohesive, more experienced units while Soldiers and families benefit from greater predictability, stability and access to stronger support networks that enhance well-being.

The 172nd Separate Infantry Brigade, in Alaska, was the first unit to implement unit stability. The Army will man four more brigades using this method this year. The Army will continue to implement stabilization policies as units redeploy to their home stations.

Leveraging Army Science and Technology Programs

The focus of Army science and technology is to accelerate maturing technologies with promising capabilities into the Current Force faster than expected. These technologies include:

—Networked battle command and logistics systems;
—Networked precision missiles and gun-launched munitions; and
—Improved intelligence sensors, active and passive protection systems, unmanned ground and air systems and low-cost multispectral sensors.

Many of these technologies are already being fielded to our front-line Soldiers to dramatically improve their capabilities. Specific science and technology initiatives will improve existing capabilities to:

—Detect and neutralize mines and improvised explosive devices (IEDs);
—Identify friendly forces in combat;
—Develop medical technology for self-diagnosis and treatment;
—Identify hostile fire indicators; and
—Enhance survivability, training systems and robotics.

We are working to harness the full potential of our science and technology establishment to improve the capability of our forces to defeat opponents in complex environments, which include urban terrain, triple-canopy jungle conditions, desert terrain, mountainous environments and caves.

Spiraling Future Combat Systems Capabilities into the Current Force

Our largest, most promising, science and technology investment remains the pursuit of Future Combat Systems (FCS) technologies. The FCS-equipped force will add crucial capabilities to the Future Force to achieve Department of Defense trans-

formation goals. FCS is not a platform. It is a family of 18 networked air and ground-based maneuver, maneuver support and sustainment systems.

Networked FCS capabilities will provide unprecedented levels of situational awareness by integrating communications, sensors, battle command systems as well as manned and unmanned reconnaissance and surveillance systems. FCS-equipped units, operating as a system of systems, will be more deployable and survivable than our current units and will enhance joint capabilities. They will also be better suited to conduct immediate operations, over extremely long distances, with other members of the Joint Force, to produce strategic effects.

In July 2004, the Army restructured the FCS program to accelerate the introduction of battle command, the Army network and other crucial capabilities to the Current Force, while we continue to build our initial FCS-equipped BCT. Improvements to the Army network, known as LandWarNet, are focused on applying lessons learned from Iraq and Afghanistan to improve our forces' ability to see first, understand first, act first and finish decisively. LandWarNet, designed to support all Joint communications architectures, will apply the most mature technologies commercially available and support the fielding of the Joint Network Node, the Warfighter Information Network and the Joint Tactical Radio System.

The Network provides the backbone for introducing the key FCS capabilities identified to be fielded early which include:

—Unattended ground sensors;
—Intelligent munitions;
—Non-line-of-sight launch systems and cannon artillery; and
—A range of unmanned aerial platforms.

These systems provide greater target detection, force protection and precision-attack capabilities than we have today. Specific programs will enhance protection from enemy mortars, artillery and rockets and improve Soldiers' ability to communicate in urban and other complex settings. The acceleration of selective FCS technologies is providing immediate solutions to critical problems our Soldiers face today. The technologies we spiral into the Current Force today, coupled with the doctrinal and organizational concepts being developed to enable them, will also help to improve the decisions we make concerning the Future Force.

Restructuring Army Aviation

The Army is also transforming its aviation forces to develop modular, capabilities-based forces optimized to operate in a more joint environment. This past year, the Army cancelled the Comanche Program and redirected its resources into other Army aviation programs. The technologies developed by the Comanche Program are being used in our current Army aviation platforms.

The reallocation of funding allowed the Army to modularize, modernize and improve its force protection capabilities. The Army is accelerating aircrew protection and fielding Aircraft Survivability Equipment. Our modular structure reduces the number of brigade designs from seven to two. Over the next six years, we are purchasing more than 800 new aircraft that include 108 attack, 365 utility and 368 armed reconnaissance helicopters. We are also modernizing an additional 300 helicopters. These initiatives will enable the Army to extend the life of its critical aviation assets beyond 2020. This will greatly reduce the age of our aviation fleet, improve readiness rates and reduce maintenance costs.

As a result of the Comanche termination decision, the Army will:

—Accelerate the modernization of Reserve Component aviation;
—Accelerate the Unmanned Aerial Vehicle, Light Utility Helicopter and Armed Reconnaissance Helicopter programs;
—Focus additional resources on the Future Cargo Aircraft program designed to improve intra-theater lift capacity;
—Develop a common cockpit for cargo and utility aircraft;
—Field improved deployability and sustainment kits; and
—Purchase and install advanced avionics packages.

This restructuring will result in dramatic Army-wide efficiencies by reducing training costs and standardizing both maintenance and logistics requirements.

TRAINING AND EQUIPPING SOLDIERS TO SERVE AS WARRIORS AND GROWING ADAPTIVE LEADERS

Reinforcing Our Centerpiece: Soldiers as Warriors

Human skills may change as technology and warfare demand greater versatility. No matter how much the tools of warfare improve, it is the Soldier who must exploit these tools to accomplish his mission. The Soldier will remain the ultimate combination of sensor and shooter.

The Army prepares every Soldier to be a Warrior by replicating, to the maximum degree possible, the stark realities of combat to condition Soldiers to react instinctively. We have changed our training systems to reflect the realities of war and to better prepare our Soldiers. Our goal is to build Soldiers' confidence in themselves, their equipment, their leaders and their fellow Soldiers.

The biggest change is in our initial military training for new Soldiers. Initial-entry Soldiers are now being prepared to operate in an environment that knows no boundaries. They are receiving substantially more marksmanship training, hand-to-hand combat instruction, an increased emphasis on physical fitness, live-fire convoy training and more focus on skills Soldiers need to operate and survive in combat.

Our Soldiers are smart, competent and totally dedicated to defending the Nation. All are guided by Army Values (Figure 2). They commit to live by the ideals contained in The Soldier's Creed (Figure 3). This creed captures the Warrior Ethos and outlines the professional attitudes and beliefs desired of American Soldiers.

ARMY VALUES

Loyalty: Bear true faith and allegiance to the U.S. Constitution, the Army, your unit, and other soldiers.
Duty: Fulfill your obligations.
Respect: Treat people as they should be treated.
Selfless-Service: Put the welfare of the Nation, the Army, and your subordinates before your own.
Honor: Live up to all the Army values.
Integrity: Do what's right, legally and morally.
Personal Courage: Face fear, danger, or adversity (physical or moral).

FIGURE 2

THE SOLDIER'S CREED

I am an American soldier.
I am a warrior and a member of a team. I serve the people of the United States and live the Army values.
I will always place the mission first.
I will never accept defeat.
I will never quit.
I will never leave a fallen comrade.
I am disciplined, physically and mentally tough, trained and proficient in my warrior tasks and drills. I always maintain my arms, my equipment and myself.
I am an expert and I am a professional.
I stand ready to deploy, engage and destroy the enemies of the United States of America in close combat.
I am a guardian of freedom and the American way of life.
I am an American soldier.

FIGURE 3

Mental and physical toughness underpin the beliefs embraced in the Soldier's Creed and must be developed within all Soldiers—without regard to their specialty, their unit or their location on the battlefield. The Warrior Ethos engenders the refusal to accept failure, the conviction that military service is much more than just another job, and the unfailing commitment to be victorious. It defines who Soldiers are and what Soldiers must do. It is derived from our long-standing Army Values and reinforces a personal commitment to service.

Soldiers join the Army to serve. Our Soldiers know that their service is required to secure our Nation's freedoms and to maintain the American way of life. We will never take for granted the personal sacrifices our Soldiers and their families endure, which include facing the hardship of war, extended periods of separation and, in the case of our Reserve Component Soldiers, concerns over continued employment and advancement in their civilian jobs.

Recruiting and Retaining Soldiers

The Army continues to attract highly qualified and motivated young people to serve. To maintain our high-quality Army, we must recruit and retain good Soldiers. We are proud of the men and women who come into the Armed Forces to make a difference, to be part of something larger than themselves and to "give something back" to their country.

In 2004, we met our Active and Reserve recruiting goals. The Army National Guard fell just short of its overall recruiting goal. While the recruiting environment is a challenging one, we have not lowered our standards. Our reenlistment rates reflect a positive outlook toward continued service. In 2004, the Active Component far exceeded its retention goal (107 percent) while the Army Reserve and Army National Guard achieved 99 percent of their goals.

Our continued success is a testament to the citizen-patriots of America who enlist and reenlist in our ranks, yet we know that our operational situation could negatively impact recruiting and retention. We are therefore resourcing several incentives to help attract and retain the right people. We continue to offer options for continued service while meeting Soldiers' individual goals. Moreover, we continue to adjust policies and incentives to access new Soldiers, reenlist current Soldiers and reduce unit attrition rates. This ensures that our Army is manned with top-quality people and capitalizes on investments in training, education and mentoring.

In light of the challenges we foresee, we will need the best minds within the Army, Congress, industry and academia to create the environment and to devise and implement strategies to sustain our ranks with the high-quality men and women that are our centerpiece.

Equipping Our Soldiers

Our Soldiers rely on and deserve the very best protection and equipment we can provide. To equip them for the challenges they face, one of the most critical issues we are addressing is vehicle armor. With the support of Congress, acting in full partnership with industry, the Army has dramatically increased the pace of both production and fielding. By March 2005, the current requirement of approximately 32,500 tactical wheeled vehicles in the Iraq and Afghanistan theaters will be protected either with integrated, add-on or locally fabricated armor. By June 2005, we will have replaced all fabricated armor with add-on armor. This rapid delivery schedule has increased the number of armored vehicles in theater one-hundred-fold since August 2003.

Figure 4 lists eight key Soldier protection areas ranging from providing body armor for Soldiers to armor for HMMWVs, trucks and other key vehicles. Our enemies will continue to adapt their tactics; we will remain steadfast in our commitment to protect our Soldiers by meeting and exceeding theater requirements in all areas.

In addition to protecting Soldiers, the Army is working aggressively to provide them the best possible equipment. The Army has established two programs to anticipate Soldiers' needs and respond quickly to those identified by commanders. Through emergency supplemental appropriations, Congress has been particularly helpful in funding these vital programs.

The Rapid Fielding Initiative (RFI) is designed to fill Soldier equipment shortfalls by quickly fielding commercial off-the-shelf technology rather than waiting for standard acquisition programs to address these shortages. RFI is increasing Soldier capabilities at an unprecedented pace. Since September 2002, we have equipped 36 Brigade Combat Teams. In 2004 alone, the Army equipped more than 180,000 Soldiers.

We are equipping deploying National Guard, Army Reserve and Active Component Soldiers to a common standard. Current plans call for equipping about 258,000 Soldiers in 2005 and the entire operational force by September 2007. We are using fielding teams at home stations and in theater to ensure that every Soldier receives 49 items including body armor, advanced ballistic helmets, hydration systems, ballistic goggles, kneepads, elbow pads and other items. The equipment being issued to units reflects the lessons learned during three years of fighting in complex environments, including optical sights for weapons, grappling hooks, door rams and fiber optic viewers to support Soldiers' ability to observe from protected positions.

The Rapid Equipping Force (REF) typically uses commercial and field-engineered solutions to quickly meet operational needs. REF has executed numerous initiatives to support the Army's Improvised Explosive Device (IED) Task Force and the requirements of the other Services. REF solutions meet immediate needs and are then assessed for wider fielding and incorporation into standard acquisition processes.

EQUIPPING OUR SOLDIERS: SOLDIER PROTECTION PROGRAMS IN IRAQ AND AFGHANISTAN

Area	Where we were August 2003	Where we are in January 2005
Soldier body armor	Estimated 109,000 soldiers equipped; Deltoid Auxiliary Protectors not fielded.	All soldiers and DOD civilians in theater equipped; plus 60,000 Deltoid Auxiliary Protectors issued
Up-armored HMMWVs	Approximately 250 in theater	More than 6,400 HMMWVs fielded
Tactical wheeled vehicle add-on armor kits.	Developing plan to equip more than 10,000 vehicles.	More than 19,000 vehicles in theater have add-on armor kits
Armored security vehicles (ASV)	ASV program cancelled during the 2003 budget and programming decision.	82 ASVs in theater; total requirement of 872 approved
Bradley reactive armor tiles (BRAT)	140 vehicle sets delivered	592 sets delivered; acceleration plan in execution
Counter-IED device	Minimal capability in theater	1,496 systems in theater
Tactical and small unmanned aerial vehicle (UAV).	Two systems deployed to theater; requirement is 194.	128 systems deployed; requirement remains 194
Aircraft survivability equipment (ASE).	No fixed wing ASE; in process of upgrading CH–47 Chinook and UH–60 Blackhawk aircraft with basic ASE.	All theater aircraft upgraded with basic ASE. In process of upgrading to an advanced common missile warning system/improved countermeasure munitions dispenser (CMWS/ICMD)

FIGURE 4

REF teams in Afghanistan and Iraq interact with commanders at brigade and battalion levels. Equipment provided ranges from lock shims to open padlocks nondestructively to far more sophisticated, remote-controlled reconnaissance devices to explore caves, tunnels, wells and other confined spaces without endangering Soldiers. REF also provides predeployment and in-theater training on the technological solutions it provides.

Training Soldiers and Growing Adaptive Leaders

A balance of training and education is required to prepare Soldiers to perform their duties. Training prepares Soldiers and leaders to operate in relatively certain conditions, focusing on "what to think." Education prepares Soldiers and leaders to operate in uncertain conditions, focusing more on "how to think." We are developing more rigorous, stressful training scenarios to prepare leaders to be more comfortable while operating amidst uncertainty.

Our programs develop leaders with the right mix of unit experiences, training and education needed to adapt to the rigors and challenges of war. We continue to adjust training, across the Army, to reflect the joint operating environment by incorporating the lessons learned from current operations. We are also implementing the National Security Personnel System, an innovative new approach to civilian personnel management and leader identification. This will help to transform our management and development of critical Army civilians and achieve our desired objectives for the overall mindset and culture of the force.

In light of the challenges posed by the 21st century security environment, the Army is moving from an "alert-train-deploy" training model to a "train-alert-deploy-employ" model. We recognize that, in an increasing number of situations, we will have little time to train prior to deploying. For this reason, Army transformation is focused on providing key training and education to increase readiness for no-notice expeditionary operations.

We have incorporated lessons learned into all of our systems and training scenarios at our mobilization stations and combat training centers. This adaptation is having an immediate, tangible impact on the streets of Iraq, the battlefields of Afghanistan and in other places around the world. Other key improvements include:

—Increased funding to adapt ranges and facilities to reflect likely combat situations;

—Adjusted Defense Language Institute requirements to meet immediate operational needs for Arabic translators;

—Increased ammunition allocations to improve every Soldier's live-fire weapons training; and

—Required live-fire training to ensure all Soldiers and units develop proficiency in the key battle drills needed to conduct safe convoy operations and other tasks.

To ensure our leaders learn from our veterans, we have implemented formal assignment guidelines to make best use of Soldier and leader experiences. We are assigning veterans to key joint billets as well as to key instructor and doctrine development positions. In addition, our most experienced officers and noncommissioned officers will return to operational units to apply their experiences in leading our fighting units.

The Army remains committed to the education of our leaders even during this period of war. In fact, we are more aggressively pursuing leaders' education now than during any other period of conflict in our history. We are educating our leaders to expand their minds, increase their cultural awareness and to promote a "lifetime of learning." These initiatives to our professional military education are based on three pillars—institutional education, self-study and experience. The synergy created by the combination of these three forms of education provides our leaders with enhanced capabilities to adapt to an increasingly ambiguous security environment.

To facilitate excellence in our leaders at every level, Joint Professional Military Education (JPME) is embedded throughout Army learning. Joint awareness is introduced in precommissioning education and training of all officers, as well as the midlevel noncommissioned officer courses. Our training and education systems further emphasize a more in-depth understanding of joint principles and concepts beginning at the Captain/Major level for officers and the Sergeant Major level for our noncommissioned officers. Our senior-level JPME programs develop our civilian leaders and further educate military leaders on the joint, multinational and interagency processes. This education is reinforced by experiences obtained in joint assignments. This increased understanding of the capabilities of other Services and external organizations significantly improves our leaders' ability to support the Joint Force in achieving national objectives.

Our military education programs teach our leaders critical thinking skills in "how to think" versus "what to think." Supported by Army Values, the Warrior Ethos and the experiences obtained through training and combat, Army leaders at all levels continue to hone the skills required to win in the complex environment of the 21st century.

Enhancing the Combat Training Centers

The Combat Training Center (CTC) Program provides highly realistic training to prepare Soldiers and leaders to execute our doctrine for operating with other Services, the military forces of other nations and other agencies of the U.S. Government. This training is essential as we become increasingly more interdependent with other Services, allies and the interagency community. The training centers include the Battle Command Training Program at Fort Leavenworth, Kansas; the Joint Readiness Training Center at Fort Polk, Louisiana; the National Training Center at Fort Irwin, California; and the Combat Maneuver Training Center at Hohenfels, Germany.

These training centers are agents of change. Training scenarios are constantly updated to reflect changing battlefield conditions and incorporate lessons learned. In all scenarios, Soldiers and leaders are presented with complex, cross-cultural challenges by large numbers of role players who act as both combatants and foreign citizens.

Additionally, each of the training centers is building extensive urban combat training facilities, as well as cave and tunnel complexes, to simulate wartime environments. As the Army transforms to a modular force, the CTCs will improve their ability to export a CTC-like training experience to home stations to reduce deployment requirements for training. The CTCs will continue to adapt to meet the training requirements to best serve a modularized Army.

ATTAINING A QUALITY OF LIFE AND WELL-BEING FOR OUR PEOPLE THAT MATCH THE QUALITY OF THEIR SERVICE

Maintaining the Viability of the All-Volunteer Force

The United States Army owes its success to the All-Volunteer Force, which provides the high-quality, versatile young Americans we depend on to serve as Soldiers. This is the first time in our history in which the Nation has tested the All-Volunteer Force during a prolonged war. The quality-of-life programs that support our Soldiers and their families, as well as our civilian workforce, will play a major role in maintaining the overall viability of this concept. Determining what kind of All-Volunteer Army we need and developing the environment, compensation, education and other incentives to keep it appropriately manned may well be the greatest strategic challenge we face.

Maintaining the viability of this force will depend on several factors. First, American citizens must remain convinced that the Army is a great place to serve. While Soldiers perform their duties to meet Army expectations, the Army, in turn, must provide an environment in which individual aspirations can be met. To concentrate on the challenges they face, Soldiers must understand the frequency and cycle of projected deployments. Likewise, they must believe that their families will be provided for in their absence. Similarly, programs to encourage civilian employer support to Reserve Component Soldiers, who comprise more than half the Army force, are required to recruit and retain Reserve Component Soldiers.

The Army is executing a full, diverse range of programs and activities that will help us to attract and retain the quality people we need to maintain a volunteer force during a time of war. It is of national interest to retain these dedicated Soldiers to sustain the overall viability of our All-Volunteer Army. The support of Congress and the American people is vital to this effort.

Caring for Army Families and Soldiers

Army Well-Being programs contribute to the Army's ability to provide trained and ready forces. These programs enable leaders to care for their people while accomplishing the missions assigned to their units. Providing for the well-being of Soldiers' families is a fundamental leadership imperative that requires adequate support and resources. We are pursuing numerous programs designed to improve spouse employment, ease the transitioning of high school students during moves and extend in-state college tuition rates to military families. We are also examining how best to expand support for veterans and National Guard and Army Reserve Soldiers. For example, TRICARE policies now allow for the eligibility of National Guard and Reserve Soldiers and their families.

Housing programs are another way in which we manifest our care for Soldiers and their families. We continue to focus considerable effort on our Residential Communities Initiative and Barracks Modernization Program. Congressional support for these initiatives has had a dramatic effect on improving the quality of life for our Soldiers and their families. The Army has already privatized more than 50,000 housing units and will eventually privatize over 32,000 more.

Programs like the Residential Communities Initiative, when reinforced with other ongoing programs, will greatly help in our ability to retain Soldiers and families. These programs include:

—Improvements in healthcare, child care, youth programs, schools, facilities and other well-being initiatives; and

—Investments in new barracks for Soldiers without families, new centers for Reserve Component units and significant improvements in training ranges.

We support our Soldiers who have become casualties during war through the Disabled Soldier Support System (DS^3). This initiative provides our Army's most severely disabled Soldiers and their families with a system of follow-up support beyond their transition from military service. DS^3 provides support to families during the initial casualty notification, tracks the Soldier's return trip home and provides appropriate assistance in coordinating pertinent local, federal and national agencies. For the Soldier, this support includes rehabilitation, support at the medical and physical evaluation boards (which embrace unprecedented ways for severely injured Soldiers to continue to serve) and integration with veterans affairs organizations, as required.

The Army will continue to look for ways to improve on our DS^3 initiative and deliver on our unfailing obligation to care for our people. To monitor and to report on the care being afforded to our Soldiers in the DS^3 program, we have enlisted the support of our voluntary Civilian Aides to the Secretary of the Army. These aides are notified when disabled Soldiers are released from active service. They support the transition of these Soldiers to civilian life and work closely with civic leaders to assist in job placement, continued rehabilitation, education and other services to benefit these Soldiers and their families.

The resilience of the young men and women and their spouses, who have sacrificed so that others might have a brighter future, is humbling and exemplary. We will honor their service and sacrifice by remaining steadfast in our support to them.

PROVIDING INFRASTRUCTURE TO ENABLE THE FORCE TO FULFILL ITS STRATEGIC ROLES AND MISSIONS

Business Transformation

Transformation of our business, resourcing and acquisition processes promotes the long-term health of the Army. It will free human and financial resources that can

be better applied towards accomplishing our warfighting requirements and accelerating other aspects of transformation.

We are working aggressively to streamline our business processes and practices by taking advantage of industry innovation through commercial off-the-shelf (COTS) products, outsourcing and partnering. We are also adopting electronic business operations and a portfolio management approach to information technology requirements, while continuing to pursue U.S. Government guidelines for competitive sourcing. These reform initiatives will remain congruent with other Department of Defense transformation initiatives, such as the Defense Integrated Military Human Resources System.

One key business initiative is the General Fund Enterprise Business System, an integrated COTS system that will replace the Army's 30-year-old accounting systems. The objective is to meet legislative requirements, while helping the Army to obtain an unqualified audit opinion of its annual financial statements.

Additionally, the Army Review and Resourcing Board is helping to validate and resource requirements, to accelerate the "requirements to solutions" cycle time and to make recommendations to the leadership on resource adjustments. The Army intends to make our processes more flexible, transparent and responsive to both immediate and future requirements of the Joint Force.

To meet the needs of the Future Force and to improve both effectiveness and efficiency, we are also adapting the Institutional Army. The Institutional Army helps to accomplish our Title 10 functions to recruit and train our Soldiers, generate and sustain the force and other Services with materiel and equipment, and prepare the force for the future through doctrine development, research and experimentation. It represents about one-third of the Army in the form of Active, National Guard, Army Reserve units, Department of the Army civilians and contractors. It includes Headquarters, Department of the Army; Training and Doctrine Command; Forces Command; Army Medical Command; Army Materiel Command; Army Corps of Engineers and numerous other organizations.

The idea of adapting the Institutional Army is not new. Driven by strategic, operational and fiscal necessities of war, the time to do it is now. The Army Campaign Plan communicates the scope of adaptation that is required to:

—Identify and divest ourselves of functions no longer relevant to current missions;
—Develop a joint, interdependent, end-to-end logistics structure that integrates a responsive civil-military sustaining base to better meet Army operational requirements;
—Foster a culture of innovation to significantly increase institutional agility; and
—Convert military positions to civilian positions, where appropriate, to improve the availability of Soldiers for deploying units.

We are incorporating these objectives into a comprehensive plan for adapting the Institutional Army, process-by-process, structure-by-structure, over a multiyear period. This plan will provide context, direction and a general vector to support the immediate adaptation of the Institutional Army to reflect our wartime focus. The Army will develop this plan during this fiscal year.

Maintaining Our Installations as "Flagships of Readiness"

Our installations are an essential component in maintaining the premier Army in the world. Our installations are the platforms from which we rapidly mobilize and deploy military power and sustain our military families. Installations also play a vital role in training the force and reconstituting it upon return from deployment. They also provide deployed commanders with the ability to reach back for information and other support through advanced communications technology.

To enable the creation of new modular brigades, the Army has greatly accelerated the normal planning, programming and budgeting cycle, requiring installation commanders to find innovative solutions to support additional Soldiers training and living on our installations. The Army is using existing facilities when available and making renovations and modifications, where feasible. Often, we must acquire temporary structures to satisfy facility shortfalls. We are also funding site preparation work, permanent utility infrastructure and renovation projects. Each installation has unique requirements to support and sustain the Army's new modular force structure.

The condition of our installation infrastructure, such as vehicle maintenance and physical fitness facilities, continues to present challenges due to the compounding effects of many decades of underfunding. Investment in the installations that are homes to our Soldiers and families, and the workplace for our civilians, will continue to play a vital role in attracting and retaining volunteers to serve.

Improving Global Force Posture

The Army is adjusting its global posture to meet the needs of Combatant Commanders. The objective is to increase strategic responsiveness while decreasing its overseas footprint and exposure. As part of a larger Department of Defense program, these adjustments will have a fundamental impact on our facilities and our ability to surge forces when needed. In place of traditional overseas bases with extensive infrastructure, we intend to use smaller forward operating bases with prepositioned equipment and rotational presence of personnel.

Parallel with the Base Realignment and Closure process, the Army is identifying critical joint power projection installations to support the mobilization, demobilization and rapid deployment of Army forces. We are also enhancing force reception and deployed logistics capabilities to quickly respond to unforeseen contingencies.

To complete the transition to an expeditionary force, we will reposition ground forces to meet emerging challenges and adjust our permanent overseas presence to a unit-rotation model that is synchronized with force generation initiatives. In Europe, both heavy divisions will return to the United States. They are being replaced by expanding the airborne brigade in Italy, enhancing the Army's training center in Germany and establishing a possible rotational presence in Eastern Europe. We will maintain a rotational presence in the Middle East while eliminating many of our permanent bases. In the Pacific, we will maintain smaller forward-presence forces, but will station more agile and expeditionary forces capable of rapid response at power projection bases. Finally, we will leverage our improved readiness to increase our rotational training presence among our security partners.

LandWarNet

LandWarNet is the Army's portion of the Department of Defense's Global Information Grid. LandWarNet, a combination of infrastructure and services, moves information through a seamless network and enables the management of warfighting and business information.

Operations in Iraq and Afghanistan highlight the power of a highly mobile communications network and network-centric operations. A network-centric force has dramatically improved situational awareness and quality of information which, in turn, leads to dramatic improvements in military effectiveness across the range of vital functions including operational cycle times, command and control, force application, force protection and logistics. These improvements combine to create unprecedented levels of flexibility and agility.

The 1st Cavalry Division and the 1st Armored Division have demonstrated this agility in their operations. Using the power of networked communications, they have been able to move information at unprecedented rates which has shortened the time required to conduct tactical and operational updates. This has accelerated the speed of command by enabling faster planning and execution of operations. Using this technology, Stryker units were able to move from northern locations to the south and fight two battles within 48 hours, demonstrating a significant improvement in both flexibility and agility.

Equipping Soldiers with world-class communications capabilities is also improving the ability to provide logistical support. For example, the 3rd Infantry Division was fielded, prior to their redeployment to Iraq this year, with the Joint Network Transport Capability-Spiral, which includes the Joint Network Node, Trojan Spirit and the Combat Service Support Very Small Aperture Terminal. These systems provide versatile satellite communications that improve the ability to sustain operations over extended distances in complex terrain by reducing gaps in current capability. Three other divisions will receive these systems this year. We are also fielding commercial solutions available now to expand communications capabilities and to increase self-sufficiency.

The Network will also help to provide "actionable intelligence" for commanders and Soldiers in a more timely manner than today. The Network will improve situational awareness and the quality and speed of combat decision making. It will leverage the Army's initiatives to expand human intelligence and improve analytical capabilities for deployed forces. Moreover, it will enable improvements in collaboration and analysis, while making it possible to share intelligence products more readily with the commanders and Soldiers that have the greatest need for them.

Accelerating the fielding of Battle Command capabilities to establish a more capable and reliable network will support the Department of Defense goal to bring the joint community closer to a common operational picture. LandWarNet will integrate joint maneuver forces, joint fires and actionable intelligence to produce far greater capability and responsiveness. The combined effect of our Battle Command and Network programs will be to improve combat capability today, while enhancing the relevance and readiness of the Future Force.

BALANCING RISK: THE TENSION BETWEEN CURRENT AND FUTURE DEMANDS

To reduce the risk associated with operations in support of the Global War on Terror, in the aftermath of September 11, we have made numerous decisions to allocate resources to immediate, urgent wartime needs. These decisions, made prior to and during 2004, have better enabled our Soldiers to accomplish their missions. Our challenge, in the months and years ahead, will be to establish a balance between current and future investments that will keep risk at moderate levels as we support the execution of the full scope of our global commitments while preparing for future challenges.

"Buying Back" Capabilities

Prior to September 11, the Army's strategic investment decisions were based on a prevailing view that, in the absence of a peer competitor, risk could be accepted in numerous areas of procurement for the Current Force to facilitate substantial investment in the Future Force.

In the aftermath of September 11, Army requirements changed dramatically. Army decisions made during 2004 reflect the need to "buy back" many of the capabilities, forsaken in recent years, now required to support the Combatant Commanders. Buying back these capabilities has reduced operational risk, improved force protection and supports evolving priorities. While these decisions have produced dramatic, immediate improvements for our Soldiers and for our capabilities in Iraq and Afghanistan, the costs, in excess of $6.5 billion, have been substantial.

Major Decisions in 2004

During 2004, the Army restructured or cancelled 126 programs to free resources for more pressing wartime requirements. The most significant of these decisions are described below.

—In May 2004, as highlighted earlier, the Army cancelled the Comanche Program. We are reinvesting the $14.6 billion in savings into pressing Army aviation requirements and correcting many chronic equipment shortfalls.

—In July 2004, the Army restructured the Future Combat Systems (FCS) Program to accelerate the introduction of crucial new capabilities to the Current Force. By accelerating FCS, the Army will be able to spiral promising technologies into the hands of Soldiers and leaders to give them the tools they need now.

Other decisions made by Congress or the Department of Defense acted to significantly enhance the Army's capability to accomplish its assigned missions.

—In October 2004, the Army was authorized by the National Defense Authorization Act to raise Active Component end strength by 20,000 Soldiers and, between 2005 and 2009, increase by an additional 10,000 Soldiers. This increase is intended to provide the personnel strength needed to implement our modular conversion and rebalancing initiatives. The increase in end strength also expands the potential options for operational tour lengths, which we are fully evaluating in the larger context of the Army's ability to generate the combat and sustainment forces needed to support operations in multiple theaters of war.

—During fiscal year 2004, in addition to supporting these critical decisions, the Department of Defense and the other Services supported Army operations and helped to maintain transformational momentum, by reprogramming significant resources to Army accounts. The Army also received more than $15.4 billion of a $25 billion contingency reserve fund appropriated by Congress.

Meeting Today's Demands While Preparing for Tomorrow

We have done much to mitigate risk, in all dimensions, but particularly in operational risk. Creating modular units; fielding of Stryker Brigade Combat Teams; restructuring of Army Aviation following the cancellation of the Comanche Program; establishing the Reset Program and initiating rapid fielding; and rapid equipping programs are all helping to meet demands for Army forces, while reducing levels of operational risk.

Due to dramatically increased operational tempo, the operational fleet's condition and age are affecting current equipment readiness. Increased mileage and flight hours, coupled with the severe environmental conditions encountered in Iraq and Afghanistan, have placed greater stress on the fleet than expected. The Army will require assistance to address the risk. As part of the Reset Program, increased repair, recapitalization and replacement of systems will be required to ensure our fleet is maintained and fully capable.

Numerous initiatives are focused to reduce force management risk. These include:

—Establishing a larger pool of rotational forces through modularity;

—Rebalancing the Active and Reserve Components;
—Eliminating redundant capabilities;
—Executing a comprehensive military-to-civilian conversion program;
—Stabilizing the force;
—Enhancing recruiting and retention by adding recruiters and creating special incentives; and
—Increasing the personnel strength of the operational Army.

In addition, congressional approval of increases in Active Component personnel strength is helping the Army to man its transforming modular Brigade Combat Teams now undergoing activation or conversion.

Our Army is focusing resources on spiraling higher payoff technologies into the Current Force to minimize future risks. Our investment accounts will be critical to our ability to maintain technological superiority and ensure the development and fielding of the Future Force. We will need assistance to maintain these investment accounts to strike the proper balance between supporting current operations and readiness and investing in capabilities required to ensure future success.

To reduce institutional risk, we are continuing to refine our resourcing processes to make them more agile and responsive to the immediate requirements of the Combatant Commanders and to help prepare the Army for future challenges. Our investments in LandWarNet (to facilitate real time, common understanding of dynamic situations) are improving our installations' ability to project and sustain forces. This result is a more rapidly deployable force that requires less logistics overhead structure and a greater capacity to reach back to their home stations for intelligence, medical and other essential support.

Increased funding will be required to accomplish our current tasks and simultaneously prepare for the future. Reduced funding would have a significant impact on procurement; repair, recapitalization and replacement of the heavily utilized operational fleet; resetting the force; and Soldier programs, while preparing the force to accomplish the full range of future requirements, projected in an uncertain, unpredictable era.

REMAINING RELEVANT AND READY IN SERVICE TO THE NATION

Our commitment to the Nation is certain and unwavering. The Army has defended the Nation for 230 years. We continue to remain vigilant in this fundamental task by providing the Nation unique capabilities to complement those provided by the other Services.

The Army remains a values-based organization committed to the ideals of Loyalty, Duty, Respect, Selfless Service, Honor, Integrity and Personal Courage. These ideals are embodied in the Soldier's Creed and the Warrior Ethos and are ingrained into the fiber of every American Soldier. We remain dedicated to preparing every Soldier to face the realities of combat and positioning the Army to face the challenges of the future.

Even as we fight the Global War on Terror and sustain our other strategic commitments, we must continue to focus on tomorrow. We are challenging our institutional practices and our assessment of current and future warfighting capabilities by asking key questions and continuing to validate our answers to them:

—What are the strategic requirements of the 21st century security environment?
—What are the characteristics and capabilities of a truly joint, interdependent, network-centric force, designed to dominate across the full range of military operations?
—Will Army and joint transformation activities produce the capabilities required to dominate across the range of military operations in the environment where they will most likely occur?
—Are joint land forces (Army, Marines and Special Operations Forces) properly sized, structured and trained to perform the full scope of missions required now and in the future?
—What are the optimal roles for the Army's Active and Reserve Components and the Joint Force in homeland defense?
—What will the impact of sustained, protracted conflict be on the All-Volunteer force?
—What combination of quality of life, compensation, incentives, service options and other tools will be required to recruit and retain the All-Volunteer Force of the future?

We continue in our determination to achieve our overarching strategic goal: to remain relevant and ready by providing the Combatant Commanders with the capabilities required to dominate across the range of military operations.

With the support of the Department of Defense and Congress, we are sustaining our global commitments while making tremendous progress in our transformation—the most dramatic restructuring of the Army in more than 50 years. We will need your continued support in order to provide relevant and ready forces and other capabilities to the Combatant Commanders, while providing for the well-being of our All-Volunteer Soldiers and their families who are serving the Nation in this time of war.

ADDENDUM A

(DATA REQUIRED BY NDAA 1994)

Sections 517 and 521 of the National Defense Authorization Act (NDAA) for Fiscal Year 1994 require the information in this addendum (Note: 521 of the NDAA has been codified in 10 U.S. Code 10542). The information is presented in the order and depth as required by the act. Section 517 requires a report relating to the implementation of the Pilot Program for Active Component Support of the Reserves under Section 414 of the NDAA for fiscal years 1992 and 1993. Section 521 requires a detailed presentation concerning the Army National Guard, including information relating to the implementation of the Army National Guard Combat Readiness Reform Act of 1992 (title XI of Public Law 102–484, and referred in the addendum as "ANGCRRA"). Section 521 reporting was later amended by Section 704, fiscal year 1996 NDAA. U.S. Army Reserve information is also presented using Section 521 reporting criteria.

Section 517(b)(2)(A).—(See Figure A–1) The promotion rate for officers considered for promotion from within the promotion zone who are serving as Active Component advisors to units of the Selected Reserve of the Ready Reserve (in accordance with that program) compared with the promotion rate for other officers considered for promotion from within the promotion zone in the same pay grade and the same competitive category, shown for all officers of the Army.

[In percent]

	AC in RC [1]	Army Average [2]
Fiscal Year 2003:		
Major	87.4	93.8
Lieutenant Colonel	40.5	79.6
Fiscal Year 2004:		
Major	93.4	96.9
Lieutenant Colonel	38.9	79.0

[1] Active Component (AC) officers serving in Reserve Component (RC) assignments at time of consideration.
[2] Active Component officers not serving in Reserve Component assignments at the time of consideration.

FIGURE A–1

Section 517(b)(2)(B).—(See Figure A–2) The promotion rate for officers considered for promotion from below the promotion zone who are serving as Active Component advisors to units of the Selected Reserve of the Ready Reserve (in accordance with that program) compared in the same manner as specified in subparagraph (A) (the paragraph above).

[In percent]

	AC in RC [1]	Army Average [2]
Fiscal Year 2003:		
Major	3.6	7.5
Lieutenant Colonel	.....	7.2
Fiscal Year 2004:		
Major	4.6	7.5
Lieutenant Colonel	3.4	7.5

[1] Below-the-zone, active component officers serving in Reserve Component assignments at time of consideration.
[2] Below-the-zone, active component officers not serving in Reserve Component assignments at the time of consideration.

FIGURE A–2

Section 521(b).

1. The number and percentage of officers with at least two years of active duty before becoming a member of the Army National Guard or U.S. Army Reserve Selected Reserve units:

a. Army National Guard (ARNG) officers: 20,653 or 56.3 percent.

b. U.S. Army Reserve (USAR) officers: 9,828 or 25.47 percent.

2. The number and percentage of enlisted personnel with at least two years of active duty before becoming a member of the Army National Guard or U.S. Army Reserve Selected Reserve units:

a. ARNG enlisted: 129,985 or 42.5 percent.

b. USAR enlisted: 36,396 or 21.64 percent.

3. The number of officers who are graduates of one of the service academies and were released from active duty before the completion of their active duty service obligation. Of those officers:

a. The number who are serving the remaining period of their active duty service obligation as a member of the Selected Reserve pursuant to section 1112(a)(1) of ANGCRRA:

In fiscal year 2004, no officers were released to the selective reserve to complete their obligation.

b. The number for whom waivers were granted by the Secretary under section 1112(a)(2) of ANGCRRA, together with the reason for each waiver:

In fiscal year 2004, no waivers were granted by the Secretary of the Army.

4. The number of officers who were commissioned as distinguished Reserve Officers' Training Corps (ROTC) graduates and were released from active duty before the completion of their active duty service obligation and, of those officers:

a. The number who are serving the remaining period of their active duty service obligation as a member of the Selected Reserve pursuant to section 1112(a)(1) of ANGCRRA:

In fiscal year 2004, no distinguished ROTC graduates were released before completing their active duty service obligation.

In fiscal year 2004, no waivers for distinguished ROTC graduates were granted.

b. The number for whom waivers were granted by the Secretary under section 1112(a)(2) of ANGCRRA, together with the reason for each waiver:

In fiscal year 2004, no waivers were granted by the Secretary of the Army.

5. The number of officers who are graduates of the Reserve Officers' Training Corps program and who are performing their minimum period of obligated service in accordance with section 1112(b) of ANGCRRA by a combination of (A) two years of active duty, and (B) such additional period of service as is necessary to complete the remainder of such obligation served in the National Guard and, of those officers, the number for whom permission to perform their minimum period of obligated service in accordance with that section was granted during the preceding fiscal year:

In fiscal year 2004, four ROTC graduates were released early from their active duty obligation. Of this number, none are completing the remainder of their obligation through service in the Army National Guard, and none through service in the U.S. Army Reserve.

6. The number of officers for whom recommendations were made during the preceding fiscal year for a unit vacancy promotion to a grade above first lieutenant and, of those recommendations, the number and percentage that were concurred in by an active duty officer under section 1113(a) of ANGCRRA, shown separately for each of the three categories of officers set forth in section 1113(b) of ANGCRRA (with U.S. Army Reserve data also reported):

a. *ARNG.*—1,490 ARNG officers from units were recommended for unit vacancy promotion and promoted. An active duty officer concurred with 100 percent.

b. *USAR.*—178 USAR officers from units were recommended for unit vacancy promotion. 121 were favorably considered.

7. The number of waivers during the preceding fiscal year under section 1114(a) of ANGCRRA of any standard prescribed by the Secretary establishing a military education requirement for noncommissioned officers and the reason for each such waiver:

In fiscal year 2004, no waivers were granted by the Secretary of the Army.

8. The number and distribution by grade, shown for each State, of personnel in the initial entry training and nondeployability personnel accounting category established under section 1115 of ANGCRRA for members of the Army National Guard who have not completed the minimum training required for deployment or who are otherwise not available for deployment. (A narrative summary of information pertaining to the U. S. Army Reserve is also provided):

a. *ARNG*.—In fiscal year 2004, the number of ARNG non-deployable personnel was 38,221. The National Guard Bureau (NGB) maintains the detailed information by State.

b. *USAR*.—In fiscal year 2004, the total number of USAR non-deployable personnel was 34,318. The United States Army Reserve Command maintains non-deployable Soldier statistical information.

9. The number of members of the Army National Guard, shown for each State, that were discharged during the previous fiscal year pursuant to section 1115(c)(1) of ANGCRRA for not completing the minimum training required for deployment within 24 months after entering the National Guard (and Army Reserve):

a. *ARNG*.—The number of ARNG Soldiers discharged during the previous fiscal year pursuant to section 11115(c)(1) of ANGCRRA for not completing the minimum training required for deployment within 24 months after entering the ARNG is 30 Officers and 10,285 enlisted, which includes all 54 States and territories. The breakdown by each State is maintained by NGB.

b. *USAR*.—The number of USAR Soldiers discharged in fiscal year 2004 due to not completing required military Initial Entry Training (IET) includes 109 officers and 415 enlisted. Those Soldiers who have not completed the required IET within the first 24 months are discharged from the Army Reserve. The United States Army Reserve Command maintains statistical information on non-completion of IET by Army Reserve Soldiers.

10. The number of waivers, shown for each State, that were granted by the Secretary during the previous fiscal year under section 1115(c)(2) of ANGCRRA of the requirement in section 1115(c)(1) of ANGCRRA described in paragraph (9), together with the reason for each waiver:

In fiscal year 2004, no waivers were granted by the Secretary of the Army.

11. The number of Army National Guard members, shown for each State (and the number of U.S. Army Reserve members), who were screened during the preceding fiscal year to determine whether they meet minimum physical profile standards required for deployment and, of those members: (a) the number and percentage who did not meet minimum physical profile standards required for deployment; and (b) the number and percentage who were transferred pursuant to section 1116 of ANGCRRA to the personnel accounting category described in paragraph (8):

a. Screened during the preceding fiscal year to determine whether they meet minimum physical profile standards required for deployment:

ARNG.—In fiscal year 2004, approximately 70,068 ARNG Soldiers underwent a physical. Of these personnel, 2,068, or 3 percent, did not meet the minimum physical profile standards required for deployment.

USAR.—In fiscal year 2004, approximately 20,864 USAR Soldiers underwent a retention physical. Of these, 2,086, or 10 percent, were identified for review.

b. The number and percentage that were transferred pursuant to section 1116 of ANGCRRA to the personnel accounting category described in paragraph (8):

ARNG.—In fiscal year 2004 6,223 Soldiers were transferred from a deployable to a non-deployable status.

USAR.—In fiscal year 2004 312 Soldiers, or less than 1 percent of the Army Reserve Selected Reserve, were transferred from a deployable to a non-deployable status.

12. The number of members, and the percentage total membership, of the Army National Guard, shown for each State, who underwent a medical screening during the previous fiscal year as provided in section 1117 of ANGCRRA:

Public Law 104–106 (NDAA 1996), Div. A, Title VII, Section 704(b), February 10, 1996, repealed Section 1117 of ANGCRRA.

13. The number of members, and the percentage of the total membership, of the Army National Guard, shown for each State, who underwent a dental screening during the previous fiscal year as provided in section 1117 of ANGCRRA:

Public Law 104–106 (NDAA 1996), Div. A, Title VII, Section 704(b), February 10, 1996, repealed Section 1117 of ANGCRRA.

14. The number of members, and the percentage of the total membership, of the Army National Guard, shown for each State, over the age of 40 who underwent a full physical examination during the previous fiscal year for purposes of section 1117 of ANGCRRA:

Public Law 104–106 (NDAA 1996), Div. A, Title VII, Section 704(b), February 10, 1996, repealed Section 1117 of ANGCRRA.

15. The number of units of the Army National Guard that are scheduled for early deployment in the event of a mobilization and, of those units, the number that are dentally ready for deployment in accordance with section 1118 of ANGCRRA:

Public Law 104–106 (NDAA 1996), Div. A, Title VII, Section 704(b), February 10, 1996, repealed Section 1118 of ANGCRRA.

16. The estimated post-mobilization training time for each Army National Guard combat unit (and U.S. Army Reserve Force Support Package (FSP) unit), and a description, displayed in broad categories and by State, of what training would need to be accomplished for Army National Guard combat units (and U.S. Army Reserve FSP units) in a post-mobilization period for purposes of section 1119 of ANGCRRA:

a. *ARNG*.—Estimated time for post-mobilization training is reported through the Unit Status Report, is classified, and is maintained by the Department of the Army, G–3:

Information on the type of training required by units during post- mobilization is maintained by U.S. Army Forces Command (FORSCOM) and the Continental United States Armies (CONUSAs).

Post-mobilization training for enhanced Separate Brigades (eSB)/ARNG Brigade Combat Teams (BCTs) can be categorized as maneuver, attack, defend, command and control, gunnery, NBC defense, and sustainment. Theater specific training requirements to include Antiterrorism (AT) and Force Protection (FP) training are also conducted during the post-mobilization training period.

b. *USAR*.—To meet the on-going operational requirements of OIF and OEF, Army Reserve training is now based on a higher readiness requirement to meet the train-alert-mobilize deploy model, which reduces emphasis on post mobilization training. The Army Reserve force must be ready before mobilization. This change requires a new training strategy and increased resource requirements for additional individual and unit training:

Army Reserve units with significant numbers of cross-leveled or Individual Ready Reserve (IRR) Soldier fills require additional collective training time at the Mobilization Stations. Current mobilization timelines often do not allow for a Mission Rehearsal Exercise (MRE) for deploying combat support and combat service support (CS/CSS) units to the same standard as deploying combat units. However, these units receive home station training to compensate for this shortfall.

To continue providing capabilities to support the Army in sustained joint and expeditionary operations and to provide predictability for Soldiers, families and employers, the Army Reserve is implementing the Army Reserve Expeditionary Force (AREF). Beginning in 2005, ten like-structured deployable organizations called Army Rotational Expeditionary Packages (AREPs) will be formed. Units in each AREP will plan to mobilize to deploy for up to twelve months once every five or six years. Unit capabilities and readiness within an AREP will be formally validated as it approaches the employment window. The Army Reserve will implement the AREF in 10 phases. As the Army Reserve transforms, early AREP rotations and their timelines will be condensed. As the concept is fully implemented, the rotations and their phases will become more distinct and sequential.

17. A description of the measures taken during the preceding fiscal year to comply with the requirement in section 1120 of ANGCRRA to expand the use of simulations, simulators, and advanced training devices and technologies for members and units of the Army National Guard (and the U.S. Army Reserve):

a. *ARNG*.—During the preceding fiscal year the ARNG made significant progress towards incorporating Training Aids, Devices, Simulators, and Simulations (TADSS) as an integral part of its training strategy and supported numerous units at mobilization stations with virtual and constructive training tools. In addition, the ARNG training division teamed with the Army G3 to validate virtual maneuver simulators for the entire ARNG heavy force.

The ARNG is fielding the Advanced Bradley Full-Crew Interactive Simulation Trainer (AB–FIST) that provides full crew precision gunnery for the M2 and M3 family of vehicles. The system underwent a rigorous Limited User Test (LUT) with the U.S. Army Infantry School (USAIS) and the Army Research Institute (ARI). In fiscal year 2004, the AB–FIST was approved by the USAIS Commanding General, as a training device that can be used for Bradley gunnery crew training in addition to the Conduct of Fire Trainer to meet established live fire prerequisites as outlined in DA PAM 350–38. To support maneuver training the ARNG is fielding updated Simulations Network (SIMNET) virtual maneuver simulators for the M1A1 and M2A2 vehicles. The upgraded SIMNET modules feature a new PC-based visual system, host computer, and a sound system. These tank and mechanized infantry platoon sets have upgraded After Action Review (AAR) stations.

ARNG Battle Staff Trainers are being updated with the Army's latest approved Janus software versions. Janus software operates on portable PCs. The ARNG continues to procure new hardware to ensure these systems can operate the Objective One Semi-Automated Forces (OneSAF) software when it is fielded in fiscal year 2007. Additionally, the Engagement Skills Trainer (EST 2000) continued to be fielded in fiscal year 2004. The EST 2000 is the Army's approved collective marksmanship training device. EST 2000 is used by the ARNG to provide unit collective gunnery and tactical training for dismounted Infantry, Special Operations Forces, Scouts, Engineer, Military Police Squads, and Combat Support and Combat Service Support elements. These systems also support units conducting the homeland defense and airport security missions assigned to the ARNG.

During fiscal year 2004, the ARNG experienced a significant increase in the number of Soldiers mobilized for OIF. The National Guard Bureau procured TADSS sets for deployment to mobilization sites such as Camp Shelby, MS, Fort Bliss, TX, Fort Hood, TX, and Fort Drum, NY. These sets consist of M1 and M2 precision gunnery training devices, rifle marksmanship trainers and other unit specific TADSS. Most importantly in fiscal year 2004, the ARNG led the way in the development of a Virtual Combat Convoy Trainer (VCCT) system. To keep costs low the ARNG required the contractor to leverage existing technology developed for the M1 and M2 virtual gunnery systems. The National Guard Bureau funded the procurement of convoy simulators that train tasks associated with the execution of a convoy. Soldiers train in the simulator prior to executing a convoy live fire exercise.

Through the ARNG Distributed Battle Simulation Program (DBSP) commanders, staffs and Soldiers receive assistance from "graybeard" mentors and TADSS facilitators. DBSP is a contractor organization that provides trained and experienced civilians to ensure the ARNG is using all of the TADSS in a meaningful way to execute annual training requirements. DBSP battle staff training teams provide exercise support during the planning, preparation, and execution of computer-mediated battle staff training. This support augments the support provided by Training Support XXI Soldiers.

b. *USAR*.—The Army Reserve has continued to work with the U.S. Army Infantry School and Army Training Support Command to incorporate the Laser Marksmanship Training System into a training strategy that supports initial entry and unit sustainment training. In 2004, Army Reserve efforts with Beamhit Corporation, makers of the laser training system, resulted in the development of full-scale laser targets that support convoy counter-ambush training. These targets permit the Army Reserve's use of current roads and buildings for greater realism in tactical marksmanship training. Soldiers can fire the lasers with blanks from moving vehicles while engaging targets that represent an ambush. Army Reserve units conduct this training at home station rather than waiting to arrive at mobilization stations:

The Army Reserve also uses simulation devices like the EST 2000 and the VCCT systems at consolidated training sites, to include mobilization stations. The Army Reserve has fielded seven EST 2000s and is working with proponents, such as the Military Police School, to leverage its use in MOS reclassification. The Army Reserve mobilized 73 small arms instructors to support CONUSA mobilization operations. At some mobilization stations, ammunition consumption dropped nearly 200 percent of Standards in Training Commission (STRAC) ammunition authorizations to 75 percent. A second mobilization of small arms instructors began in October 2004.

18. Summary tables of unit readiness, shown for each State, (and for the U.S. Army Reserve), and drawn from the unit readiness rating system as required by section 1121 of ANGCRRA, including the personnel readiness rating information and the equipment readiness assessment information required by that section, together with:

a. Explanations of the information shown in the table:

Unit readiness reporting information and summary tables are classified. This information is maintained by the Department of the Army, G–3.

b. Based on the information shown in the tables, the Secretary's overall assessment of the deployability of units of the Army National Guard (and U.S. Army Reserve), including a discussion of personnel deficiencies and equipment shortfalls in accordance with such section 1121:

Unit readiness summary tables and overall assessments are classified. Department of the Army, G–3, maintains this information.

19. Summary tables, shown for each State (and the U.S. Army Reserve), of the results of inspections of units of the Army National Guard (and Army Reserve) by

inspector general or other commissioned officers of the Regular Army under the provisions of Section 105 of Title 32, together with explanations of the information shown in the tables, and including display of (a) the number of such inspections; (b) identification of the entity conducting each inspection; (c) the number of units inspected; and (d) the overall results of such inspections, including the inspector's determination for each inspected unit of whether the unit met deployability standards and, for those units not meeting deployability standards, the reasons for such failure and the status of corrective actions. Summary tables depicting CONUSA inspection numbers by State for the ARNG and by Regional Readiness Command for the USAR units are available from U.S. Army, FORSCOM:

a. *ARNG*.—During fiscal year 2004, ARNG State level Inspector General (IG) conducted extensive inspections throughout the United States. State level IGs conducted approximately 336 inspections during the year, visiting 538 separate units. Because IG inspections focus on findings and recommendations, the units involved in these inspections were not provided with a pass/fail rating. Results of individual inspections conducted by an IG may be requested for release through the Inspector General of the Army. Operational Readiness Evaluation Data for FSP and eSBs is unavailable as these inspections were eliminated as requirements in 1997. Data available under the Training Assessment Model (TAM) relates to readiness levels and is generally not available in an unclassified format. TAM data is maintained at the State level and is available upon request from State level training readiness officials.

b. *USAR*.—In accordance with AR 1–201, the United States Army Reserve Command (USARC) conducts inspections of Regional Readiness Commands (RRCs) and Direct Reporting Units (DRUs) within the USARC Organizational Inspection Program (OIP). USARC maintains the results of all OIPs. The OIP focuses on findings and recommendations. Units do not receive pass/fail ratings. During fiscal year 2004, five OIPs were scheduled, but none were conducted. Units were not inspected because of the high OIF/OEF OPTEMPO. However, the Army Reserve did conduct 12 Battle Focus Readiness Reviews, which involved a review of over 180 brigade and below units. The Army Reserve also conducted 400 command inspections, which represents more than one-third of USAR units. U.S. Army Forces Command (FORSCOM) maintains the results of unit TAMs and the data for Reserve Component FSP unit inspections.

20. A listing, for each Army National Guard combat unit (and U.S. Army Reserve FSP units) of the active duty combat units (and other units) associated with that Army National Guard (and U.S. Army Reserve) unit in accordance with section 1131(a) of ANGCRRA, shown by State, for each such Army National Guard unit (and for the U.S. Army Reserve) by: (A) the assessment of the commander of that associated active duty unit of the manpower, equipment, and training resource requirements of that National Guard (and Army Reserve) unit in accordance with section 1131(b)(3) of the ANGCRRA; and (B) the results of the validation by the commander of that associated active duty unit of the compatibility of that National Guard (or U.S. Army Reserve) unit with active duty forces in accordance with section 1131(b)(4) of ANGCRRA.

The listing described above is contained in FORSCOM Regulation 350–4–Active Component/Reserve Component Partnerships. Detailed assessments of specific RC units by associated active duty commanders are maintained within FORSCOM at the two CONUSAs and three CONUS-based corps. General comments of manpower, equipment and training resource requirements in accordance with ANGCRRA follow:

a. *ARNG*.—For Army National Guard divisions and BCTs:

—*Manpower*.—Several BCTs have shortages in enlisted personnel and junior officers. Duty Military Occupational Specialty Qualification (DMOSQ) is a training challenge because Military Occupational Specialties (MOS) require extensive training, during a limited training window, in schools that are often taught simultaneously. Within the BCTs, Full-Time Support (FTS) continues to be a challenge, currently filled at approximately 55 percent of requirements. In ARNG divisions, recent force structure changes and rebalancing actions are causing short-term shortfalls in fill percentages.

—*Equipment*.—The Army is making extraordinary efforts to fully equip all units deploying to theater in terms of vehicles, weapons, communications, force protection equipment and other areas. However, the lack of modernized equipment continues to hamper the BCTs. Shortages in chemical defense equipment and night vision devices limit the full range of capabilities for training of the BCTs. The BCTs continue to receive the bulk of any new equipment fielded to the ARNG.

—*Training*.—Adequate training resources in fiscal year 2004 enabled BCTs to sustain platoon pre-mobilization training proficiency. Distances to crew-served weapons ranges and the availability of adequate maneuver areas continue to challenge most units. Virtual and constructive simulation systems combine with live training to provide multi-echelon collective proficiency.

b. *USAR*.—Within the Army Reserve, use of the Force Support Package (FSP) unit model is in the process of being replaced by the Army Reserve Expeditionary Packages (AREP) force management model:

—*Manpower*.—The Army Reserve is continuing to improve its operations and training management by building FTS manning as a result of the Congressionally approved Active Guard/Reserve (AGR) and Military Technician (MILTECH) ramps. However, sustaining DMOSQ is impacted in some cases by limited school spaces that are based on class size and student to instructor ratio (2:1 for some course phases). To address this situation, Army Reserve schools have begun to mobilize qualified Army Reserve instructors to teach only in RC schools. The Army Reserve is also starting to accelerate the conduct of courses and use web-based training whenever feasible. Some MOSs require extensive training, for example 15N, 25B, 45G, 91W, and 97B, and sequential schools require a Soldier's absence from their civilian employment for extended periods.

—*Equipment*.—Prior to September 11, the Army's strategic investment decisions were based on a prevailing view that, in the absence of a peer competitor, risk could be accepted in numerous areas of procurement for the Current Force to facilitate substantial investment in the Future Force. The impact of these decisions has been evidenced across all components. In the case of the Army Reserve, this has resulted in not fully fielding force modernization equipment. Today, the Army Reserve has approximately 78 percent of its authorized end items. New procurement and cascading of older equipment from the Active Component (AC) is only keeping pace with battle losses and attrition. The shortage of modern equipment and the retention of obsolete and obsolescent items to maintain equipment on-hand readiness have begun to adversely impact the Army Reserve's ability to continue to support the Army's sustained joint and expeditionary operations.

Today almost 76 percent of on-hand Army Reserve equipment is deployed, mobilizing, demobilizing or assigned as "Stay Behind Equipment" (SBE) in theater. Replacement of SBE for the Army Reserve is an immediate force multiplier for the Army. The Army Reserve continues to support subsequent OIF/OEF rotations and other requirements by using assets from its stateside-based institutional training structure. Much of the equipment returning from OIF/OEF has rapidly expended its service life under combat conditions and must be replaced. The concept of a transformed, modular Army of "plug and play" units demands that all units, regardless of component, be equipped to the same levels and with compatible and interoperable systems. Current Army procurement planning, with the assistance of Congressionally directed procurement within the Total Obligation Authority and the National Guard and Reserve Equipment Appropriations (NGREA), are the keys to achieve this goal.

—*Training*.—Some Equipment Readiness Code-A (ERC–A) equipment shortages inhibit effective training. High levels of SBE and backlogs at reconstitution and depot sites further exacerbate the problem. Army Reserve units often have a significantly older generation of equipment on which to train. Units will require additional training time after mobilization to achieve proficiency on collective tasks, especially if modernization equipment is provided after mobilization.

The results of the validation by the commander of that associated active duty unit of the compatibility of that National Guard (or U.S. Army Reserve) unit with active duty forces in accordance with ANGCRRA are maintained by the Department of the Army, G–3. General comment follows:

For ARNG divisions, BCTs, ARNG Force Support Package (FSP) Units and Army Reserve FSP Units: Lack of Force Modernization equipment within the Reserve Component (RC) is the foremost AC compatibility issue. Until the RC units are modernized and supported at the same level as the AC units, most RC units will not be fully compatible with AC units until after mobilization. Decreased mobilization to deployment and/or employment timelines makes it imperative that RC units be modernized and equipped at the same level as the Active Component prior to mobilization. As Modified Tables of Organization and Equipment in units are updated and unit reorganization continues, the compatibility issue will improve.

21. A specification of the active duty personnel assigned to units of the Selected Reserve pursuant to section 414(c) of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (10 U.S. Code 261 note), shown (A) by State for the Army National Guard (and for the U.S. Army Reserve), (B) by rank of officers, warrant officers, and enlisted members assigned, and (C) by unit or other organizational entity of assignment:

As of September 30, 2004, the Army had 4756 Active Component Soldiers assigned to Title XI positions. The Army goal is 100 percent of the total (officer and enlisted authorizations) 5,000 personnel authorized for the AC/RC Program. Although constrained by ongoing support to the Global War on Terror, the Active Army is maintaining AC/RC program strength and plans to maintain not less than an aggregate strength level of 90 percent (officer and NCO) during the fiscal year 2005 period as addressed in the fiscal year 2005 NDAA. Army G–1 and U.S. Army Human Resources Command carefully tracks fill of Title XI positions (See Figure A–3).

TITLE XI FISCAL YEAR 2004 AUTHORIZATIONS

	Officers	Enlisted Soldiers	Warrant Officers	Total
PERSCOM	.....	5	.....	5
USAR	39	332	2	371
TRADOC	110	275	.....	385
FORSCOM	1,428	2,471	153	3,899
GFR	.....	2	.....	2
USARPAC	32	62	1	94
Total	1,609	3,147	156	4,756

FIGURE A–3

ACRONYMS

AAR—After Action Review
AB-FIST—Advanced Bradley Full-Crew Interactive Simulation Trainer
AC—Active Component
AGR—Active Guard and Reserve
ANGCRRA—Army National Guard Combat Readiness Reform Act
AREF—Army Reserve Expeditionary Force
AREPs—Army Rotational Expeditionary Packages
ARNG—Army National Guard
ASE—Aircraft Survivability Equipment
ASV—Armored Security Vehicle
AT—Antiterrorism
BCT—Brigade Combat Team
BRAT—Bradley Reactive Armor Tiles
CH—Cargo Helicopter
CONUSAs—Continental United States Armies
COTS—Commercial-Off-the-Shelf
CS/CSS—Combat Support and Combat Service Support
CTC—Combat Training Center
DBSP—Distributed Battle Simulation Program
DMOSQ—Duty Military Occupational Specialty Qualification
DOD—Department of Defense
DRUs—Direct Reporting Units
DS3—Disabled Soldier Support System
ERC—Equipment Readiness Code
eSB—enhanced Separate Brigades
EST 2000—Engagement Skills Trainer 2000
FCS—Future Combat Systems
FORSCOM—U.S. Army Forces Command
FP—Force Protection
FSP—Force Support Package
FTS—Full-Time Support
GFR—Ground Forces Readiness
HMMWV—High-Mobility Multipurpose Wheeled Vehicle
IED—Improvised Explosive Device
IET—Initial Entry Training
IG—Inspector General
IRR—Individual Ready Reserve
JNTC—Joint National Training Capability
LMTS—Laser Marksmanship Training System
LUT—Limited User Test
MILTECH—Military Technician
MOS—Military Occupational Specialties
MRE—Mission Rehearsal Exercise
NBC—Nuclear, Biological, and Chemical
NCO—Noncommissioned Officer
NDAA—National Defense Authorization Act
NGB—National Guard Bureau
NGREA—National Guard and Reserve Equipment Appropriations
OEF—Operation Enduring Freedom
OIF—Operation Iraqi Freedom
OIP—Organizational Inspection Program

OneSAF—Objective One Semi-Automated Forces
OPTEMPO—Operational Tempo
PERSCOM—Personnel Command
RC—Reserve Component
REF—Rapid Equipping Force
RFI—Rapid Fielding Initiative
ROTC—Reserve Officer Training Corps
RRCs—Regional Readiness Commands
SBE—Stay Behind Equipment
SIMNET—Simulations Network
STRAC—Standards in Training Commission
TADSS—Training Aids, Devices, Simulators, and Simulations
TAM—Training Assessment Model
TRADOC—Training and Doctrine Command, U.S. Army
UA—Unit of Action
UAV—Unmanned Aerial Vehicle
UH—Utility Helicopter
U.S.—United States
USAIS—U.S. Army Infantry School
USAR—United States Army Reserve
USARC—United States Army Reserve Command
USARPAC—U.S. Army Pacific Command
VCCT—Virtual Combat Convoy Trainer
WMD—Weapons of Mass Destruction

Senator STEVENS. General, thank you very much. We're pleased to have that further explanation on these soldiers' background.

Mr. Secretary, we welcome Mrs. Harvey. I see she's sitting——

Secretary HARVEY. Thank you.

Senator STEVENS [continuing]. Behind you, and we're pleased to have her with us today.

I also want to call attention to the fact that, from the Guard and Reserve, we had Lieutenant General Steve Blum, Chief of the National Guard Bureau, Lieutenant General Roger Schultz, who's Director of the Army National Guard, Lieutenant General James Helmly, Chief of the Army Reserve.

And let me welcome Senator Mikulski. I did so in her absence, but she has joined our subcommittee. We have served with her for many years on the full committee, and are delighted that she has come to this subcommittee.

Senator MIKULSKI. Thank you very much, Mr. Chairman. I look forward to an active service here. Reporting for duty.

Senator STEVENS. It is welcome duty. Having been whip for 8 years, I understand, Senator Durbin, you have duty on the floor and would like to be recognized. We're pleased to recognize you first.

Senator DURBIN. Mr. Chairman, thank you very much. And I want to thank Senator Inouye, as well, for giving me this opportunity, since I have to be on the floor in a few moments.

Before I ask my questions, let me just say thank you. Thank you to the Secretary, thanks to all of the men and women in uniform, and those who—their families and others who support them. You make us proud. All of your service is—we'll never be able to repay. The best we can do is to say that we're going to stand behind you. I think you're going to find that in this appropriation bill, both political parties. It is nonpartisan.

I also want to say that I've been out to Walter Reed several times. I've met with some of the fine men and women out there who have been injured in combat, and those who are treating them. And it is a great facility. I always ask them, "Is there anything I can do for the Illinois soldiers, in particular?" And they say, "They're taking care of us." They never ask me for anything, which is a good indication.

FORCE PROTECTION

But for one thing, Mr. Secretary, and that was—one of the first visits out there, one of the soldiers said, "You've got to do something about these Humvees." And that goes way back, 1½ years ago. He said, "There's just not enough protection on those Humvees." Well, that's become a major national issue, and many of the amputees and soldiers who have been injured, unfortunately, were in Humvees that were not protected. And they were subject to rocket-propelled grenades and these roadside bombs and—which still harass our troops and endanger them. I'm glad we're moving forward on that.

The same complaint came about body armor. Many troops did not have them. A friend of mine, with a son in active military ended up collecting the money, paying for it himself, sending the body armor out to his son. He said, "I just can't wait any longer. I've got to do this."

TOURNIQUETS

Now there's a new issue, Mr. Secretary, and there's one—it's so simple and basic that I really—I've got to ask you to address it. And you may have seen it in the Baltimore Sun on Sunday. They did a lengthy piece on the whole question of tourniquets and whether that would be standard-issue to our soldiers.

Now, I think everyone agrees that having a tourniquet ready and available at a moment's notice is essential in combat, to save lives, particularly bleeding from the extremities. Long before the—well, at least before the invasion of Iraq, we said that this should be standard-issue. Again this year, the issue came up, as well.

This report from the Baltimore Sun, which I know Senator Mikulski is well acquainted with, goes through all of the units of the military that currently are given tourniquets, these $20 tourniquets, as standard-issue: Army Rangers, Special Op troops, 82nd Airborne, 3rd Infantry, all marines—all carrying tourniquets. And yet when the survey was made of other groups, particularly Guard and Reserve activated groups, it was found that this basic $20 piece of equipment wasn't being issued to the soldiers. And your experts on medical treatment and making certain that we save lives have said this is an essential part of equipment.

When the Pentagon was asked, "Why haven't you issued tourniquets if they're readily available and so cheap?" someone in the Pentagon said, "Because we're in the midst of designing a pouch to carry them in." I hope that's not accurate.

I would like to have you, Mr. Secretary, tell me if you are familiar with this problem, whether you could tell us how many of our soldiers today in Iraq carry with them, as standard-issue, a tourniquet, and, if not all of them, how quickly we'll be able to provide this life-saving piece of equipment.

Secretary HARVEY. Yes, Senator, good question. I, like you, am very concerned. Soldier protection, force protection, quality of life of the soldiers, nothing is more important to me than that. As I've said on several occasions, providing for the well-being of the soldiers and their families is my number one priority.

I am generally familiar with this issue. It came up in a hearing a couple of weeks ago in the—in terms of whether we issue our soldiers something called QuickClot, which is issued to the marines. And I looked into that and have found out that this QuickClot is—can have some side effects, in terms of burns and in clotting outside the wound itself. I'm informed that we issue a pressure bandage—it is an Israeli-designed pressure bandage—to our soldiers.

So I can't give you the exact numbers, but it's—I'm under the opinion that we issue this pressure bandage to all our soldiers. The Chief may want to comment on that.

Senator DURBIN. Mr. Secretary, this is not a pressure bandage. I'm talking about a tourniquet. And a pressure bandage, even if it's standard-issue, or a clotting bandage, will not be adequate to deal with bleeding from an extremity. And if you read the story, and I'm going to send it to make sure you——

Secretary HARVEY. Yeah, I've perused it, yes.

Senator DURBIN. I hope you'll get a chance to look at it. They make it clear that, sadly, we've lost some soldiers because there was no place to turn for a tourniquet, a basic tourniquet, which is an element of first aid.

Let me give you an example. One of the lieutenants in the Army, David Bernstein, who is noted in this article, bled to death. A West Point graduate. As Senator Mikulski adds here, they couldn't find anything to use as a tourniquet. They used a sling from an M–4 rifle, and the nozzle from a fuel can to twist it, to try to stop the bleeding. Sadly, he lost his life because a $20 basic tourniquet was not provided.

So your response about pressure bandages and clotting bandages, those will not do. This article makes it clear, they are not responsive to the need when you have this severe trauma and bleeding from the extremities. And so, I hope that you will look very closely at this. I think it's a critical—an inexpensive element to save the lives of our soldiers here.

I don't know if—General Schoomaker, if you've had familiarity with this.

General SCHOOMAKER. Sir, first of all, I'm not familiar with the article at all. Quite frankly, your bringing it up here is the first time I've heard of any problem like that. We've had tourniquets in the Army for almost all of my 36 years of service.

Senator DURBIN. Are they standard-issue to every soldier?

General SCHOOMAKER. They are standard in the medical channels. There have been improvements in the tourniquets. Typically, in the old days, we would carry cravats, which we used as tourniquets, which were standard-issue. There have been, since then, a variety of—the one-handed tourniquet that has come up more recently—there have been a variety of them, and I have known of no shortage of them. But this is something we could get into and certainly——

Senator DURBIN. General, I am told they are not standard-issue, that they are affordable, that what is presently being given to soldiers does not really fit——

General SCHOOMAKER. Typically——

Senator DURBIN [continuing]. The need.

General SCHOOMAKER [continuing]. Typically, medical gear like this is not issued as part of a soldier's—what we would call organizational clothing and individual equipment (OCIE). It is—comes through medical channels. It's typically a unit standard-operating-procedure problem, and the unit generally will dictate what medical gear a soldier will have. And I see no reason why there is any shortage. And certainly affordability is not at issue.

Senator DURBIN. Affordability is not an issue.

Secretary HARVEY. For sure. We'll get you a detailed answer for the record.

[The information follows:]

TOURNIQUETS

All Soldiers receive training on use of tourniquets upon initial entry into the Army, and sustained training and testing through the Soldier Common Task Test. Training is imperative for effective tourniquet application. Effective April 1, 2005, all new Soldiers will receive specific training on the new-generation Combat Application Tourniquet (CAT) in Basic Combat Training.

Every Soldier now carries a first aid pouch with a first aid dressing for use as a pressure dressing and tourniquet. Under current practice, all Combat Medics (military occupational specialty (MOS) 91W), and Combat Lifesavers (CLS) will carry new-generation tourniquets; however, new-generation tourniquet fielding to these Soldiers is not complete. (The target ratio of CLS to Soldiers in deploying units is one per squad or better.)

Between March 2003 and March 2005, the U.S. Army Medical Materiel Center-Southwest Asia (USAMMC–SWA) issued 58,163 new-generation tourniquets (four types) to CENTCOM-deployed units. Medical authorities in theater estimate 41 percent of deployed Soldiers have an approved tourniquet.

The Defense Logistics Agency ordered 172,000 CATs in mid-March 2005. Initial delivery of 15,000 CATs will be mid-April 2005, with the entire 172,000 delivered to theater by mid-July 2005. On March 31, 2005, the Army directed the USAMMC–SWA to order 56,000 Special Operating Forces—Tactical Tourniquets (SOFTT) for delivery before May 31, 2005.

The new Soldier Improved First Aid Kit (IFAK) includes a CAT and is being fast-tracked via the Soldier as a System Rapid Fielding Initiative.

The U.S. Army Institute of Surgical Research (USAISR) recently tested nine new-generation tourniquet systems and demonstrated that three were 100 percent effective. Based on these data, the CAT was selected as the tourniquet to be issued to individual Soldiers. USAISR recommended the SOFTT as an acceptable alternative to the CAT when the CAT was not available through the supply system. USAISR also recommended the emergency medical tourniquet for use in medical evacuation vehicles and at Echelon I–III medical facilities.

Senator DURBIN. Well, if you would—the fact that the Rangers, Special Ops, some divisions, like 82nd Airborne, 3rd Infantry, and the marines all carry it as standard-issue, I think, is a clear indication that——

General SCHOOMAKER. I will promise——

Senator DURBIN [continuing]. It could help——

General SCHOOMAKER [continuing]. You that the most combat—the most combat-experienced soldiers and marines and special operators don't go into battle without these kinds of things.

Senator DURBIN. On themselves, individually?

General SCHOOMAKER. On themselves, individually. This is something that experience will tell you. This isn't something you wait for the system to give you. This is something you requisition through medical channels, because you have the experience, the knowledge, the training, and the readiness——

Senator DURBIN. And you will give——

General SCHOOMAKER [continuing]. To understand you need it.

Senator DURBIN [continuing]. You will give me a report on how many soldiers——

General SCHOOMAKER. We will be glad to.

Senator DURBIN [continuing]. Currently——

General SCHOOMAKER. Yes, sir.

Senator DURBIN [continuing]. In Iraq and Afghanistan——

General SCHOOMAKER. And we——

Senator DURBIN [continuing]. Carry tourniquets?

General SCHOOMAKER. There is no reason why there should be any shortage in any unit of that kind of——

Senator DURBIN. There is no reason why there should be.

Secretary HARVEY. No. No.

Senator DURBIN. Thank you very much, Mr. Chairman.

Senator STEVENS. Senator, I'm constrained to say that when I was in the Army, they told us to take off our belt and take a knife in a sheath and use it to make a tourniquet immediately.

General SCHOOMAKER. Exactly right.

Senator STEVENS. It's one of those things.

I note that the chairman is here, and I know he has other subcommittees to go. Remember when he used to yield to me? I would be pleased to yield to you.

Senator COCHRAN. I'll wait my turn, Mr. Chairman. Thank you.

Senator STEVENS. Thank you very much.

RECRUITING AND RETENTION

Secretary Harvey, what are the problems in our recruiting efforts? I think most of us are thinking about the problems of recruiting and retention—in the Army, in particular; and in the Guard and Reserve, as well. We seem to have a—you know, we—I'm told we exceeded the goal for the Army last year. And the goal this year is 100 percent retention. How are you doing?

Secretary HARVEY. In terms of retention, Senator, we're just about on our goals. Retention in the Active is 99 percent of goal—these are our year-to-date goals—97 for the Reserves, and 98 for the Guard. So, from a retention point of view, I think we're okay. And, as we like to say, I think we're on our mission for the year.

Our challenge is in recruiting, and the Chief and I are both concerned about that. I don't think we're in crisis, but we're concerned about it. At the current time, we're at 94 percent of our goal in the Active, 90 percent in Reserves, and the problem area is the National Guard, which is at 74 percent.

Now, in response to that, we're taking the following actions. We're increasing the number of recruiters across the board, in all three areas, from 9,000 total to 12,000. We're increasing incentives—retention incentives, recruiting incentives—across the board for all three components. And, as you may know, we take surveys every month to ensure that the—as we call them, "the influencers" are satisfied, and what the influencers are thinking; and that's the parents and coaches and counselors and so forth.

So, it's a concern with us. I'm not going to sit here and tell you that we're 100 percent sure we're going to make it. And I'm also not going to sit here and tell you—we're not going to give up. We are going to put a lot of emphasis and focus on this area. I give it a lot of thought. And when someone says, "Well, you put the re-

cruiters"—the recruiters are like drilling the oil well. You say, "I've got more recruiters there, now they have to strike oil." And we have another 6 months to go in the mission. And, believe me, as I said, we're very concerned about it. We put a lot of emphasis and focus and attention to it. And I meet every other week with our human resource people to ensure that we're doing everything we need to do and our message is getting across. And we do a lot of innovative things, like we sponsor National Association for Stock Car Auto Racing (NASCAR), dragsters, rodeos, and so forth. So we're very focused in this area, and I think the takeaway is that it's important, and we're doing everything possible to attain our goals.

And let me note that, this year, our goal in the Active component is to recruit 80,000 soldiers. Last year, it started at 72,000; it was revised in the middle of the year to 77,000, which we made; and the year before that was 68,000. So, our goals have gone up, and our focus and initiatives and activities have gone up accordingly.

Senator STEVENS. General Schoomaker, have we given you enough tools to succeed, in terms of recruiting?

General SCHOOMAKER. Sir, tools—the tools you have given us are more than satisfactory. You've been very supportive in the tools. I think the Secretary has it exactly right, retention does not appear to be as big a challenge as recruiting. We are retaining soldiers. This is counter to many of the stories you hear, that the Guard and the Reserve and Active soldiers will not stay with us. They are staying with us, in increasing numbers.

But I will tell you, I am personally concerned about recruiting. And I think that recruiting this year is going to be tough to make our challenge, our increased goals. And I think in 2006 it'll be even tougher. And so, we are going to have to look very hard at the tools, at our procedures, at our approaches. But, as I've testified before, I believe this is a national responsibility. This isn't just the responsibility of the Army and the Marine Corps, the Air Force, and the Navy to recruit soldiers, sailors, airmen, and marines. It is a responsibility of the Nation to raise the armies and the navies and the air forces and the marines that are necessary to defend this country. And I think until people embrace this challenge as a national responsibility and necessity, that we will be challenged when we're in periods of conflict, as we are today.

ARMY MODULAR FORCE

Senator STEVENS. I'm going to ask one of the staff to turn this soldier's photo around and show it to the people out in the audience. I'm constrained to say that when I went into the service, I weighed 155 pounds. And I think Senator Inouye weighed just about the same amount. I think that fellow's got on his back more than I weighed then.

Secretary HARVEY. He does. It's 150 pounds. That's a picture that I—that the Chief gave to me that I have in my office. I look at that every morning, and I think, "How am I going to lighten that soldier's load?"

Senator STEVENS. That's what I was going to ask.

Secretary HARVEY. Yes. Yes. And we're—and we think about that often. And we're going to do it several ways, one of which is, as you

heard, the Army modular force. We're going to be able to deploy to an area as a unit, not as a group of individuals, and that's going to help reduce that load.

Another way we're going to do that is through information technology and situational awareness, where, as I mentioned in my opening statement, one of the advantages of the Army modular force initiative is that we can start now to spiral in network technologies so that all soldiers have better situational awareness, so he doesn't have to take everything he has to take——

Senator STEVENS. My time——

Secretary HARVEY [continuing]. Because he knows——

Senator STEVENS [continuing]. Is running out, Mr. Secretary. But when we went to the Stanford Research Institute, they were devising a vest that would really—a shirt that would be both armor and have a built-in battery and have a built-in—a whole series of things that are there now.

Secretary HARVEY. We have a program executive officer (PEO) soldier. The Chief——

Senator STEVENS. Are we going to any innovation to try and lighten that load?

Secretary HARVEY. Yes. Chief?

General SCHOOMAKER. Sure we are. First of all—and I don't mean to be facetious here, but that's 150 pounds of lightweight gear.

Senator STEVENS. I understand that.

General SCHOOMAKER. That is——

Senator STEVENS. I saw some——

General SCHOOMAKER [continuing]. That is all the most advanced stuff that we can put on them. But I'll give you a historical example. When the 82nd Airborne Division and the 101st Airborne Division jumped behind the lines on the night of June 5–6, 1944, when those paratroopers jumped behind the lines, they carried 80 rounds of ammunition and two hand grenades, a change of socks, and a protective mask. And when they got on the ground, they got rid of their protective mask. Those soldiers went into combat totally—equipped totally differently than these soldiers are today.

This picture that you see there is a paratrooper in the 173rd Airborne Brigade that jumped into Northern Iraq. That's the morning the Sun rose, and they're stuck up there in the mud with all that stuff on their back in Northern Iraq with—you know, basically alone and unafraid, not unlike their forefathers did in World War II. And they're extraordinarily equipped. The problem is that we've got to get the mobility of these soldiers, and we've got to get the interdependence of it that we're working on so hard with the other services to lighten this load. But we also have a responsibility to lighten this load in a different way, and that is by taking——

Senator STEVENS. I think we ought to have a copy of that for our office here, too, because——

General SCHOOMAKER. Sure.

Senator STEVENS [continuing]. It worries me.

Senator Inouye.

Senator INOUYE. Thank you very much.

If I may——

Senator STEVENS. Sorry to interrupt you, General, we do have some time restraints here.

General SCHOOMAKER. Sure.

Senator INOUYE. If I may follow up on the chairman's questioning, are you considering lowering the entry standards on recruiting?

ENLISTMENT STANDARDS

General SCHOOMAKER. Sir, we are not considering it, and we have not done it. Now, we are bumping up against our standard, but we have not crossed the line on our standards. And I can describe what they are, or I can get them to you for the record.

[The information follows:]

ENLISTMENT STANDARDS

The Army is currently not considering lowering its quality marks. The fiscal year 2005 Army quality goals are ≥ 90 percent high school diploma graduates, ≥ 67 percent test score category I–IIIA, and ≤ 2 percent test score category IV. The active Army's quality marks remain above Army goals. As of the end of March, they were at 90 percent high school diploma graduate, 74 percent test score category I–IIIA, and 1.9 percent test score category IV.

General SCHOOMAKER. But the things that you are reading are largely untrue about us lowering standards. And I hope that we do not have to lower our standards. In fact, I would prefer not to. I'd rather go short than lower the standards that we have.

Senator INOUYE. We have been advised that there is a $285 million shortfall for recruiting. Can you tell us why?

General SCHOOMAKER. Sir, I'm not familiar with that.

Secretary HARVEY. No, I'm not familiar with that, Senator. We certainly will ask for everything we need in that regard. As remarked, it's critical to the all-volunteer force.

IMPROVISED EXPLOSIVE DEVICES (IED'S)

Senator INOUYE. Of the 1,500 soldiers killed during the operations, 800 were killed by improvised explosive devices. Do we have enough funding here to take care of that?

Secretary HARVEY. Yes. I've—let me answer it, that I've been assured and informed that we have adequate funds at the present time to meet the theater requirements, we have adequate funds to do—to fund our technology-development efforts, to field the next-generation devices, and that we will be rapidly—over the next few months, rapidly fielding a number of devices. And we can fill you in on those details, of course, in a closed session, if you would like. But I'm assured that we have adequate funding. I'm assured that the next-generation technology is rapidly maturing. And I will be—and I have, and will be, paying very close attention to this. As you remarked, that's an important component of soldier protection.

Senator INOUYE. Isn't it also true that no matter how much we try, it will not be possible to come up with a perfect solution, especially when they use something like a 2,000 bomb—a 2,000-pound bomb to knock over a tank?

General SCHOOMAKER. Sir, there is no one solution to this dilemma. And, as you know, we have had M–1 tanks totally destroyed by thousand pound bombs on the roads. There is the ability

to get a big enough bomb to destroy any amount of armor we'll place. However, there is a prudent level of protection that we believe we've asked for the funding to achieve and that we're working to obtain. A great deal of this has to do with tactics, techniques, and procedures, and experience, intelligence, and other kinds of capabilities, obviously that we probably shouldn't talk about in an open session. But it is a comprehensive approach that must be taken to counter this threat, and not just the idea that some—in some physical form, that we're going to be able to mitigate the effects of what's achievable.

OPTEMPO

Senator INOUYE. Mr. Secretary, will the modular units lessen the operational tempo for the Army; thereby, reducing the number and length of deployments that we are now experiencing?

Secretary HARVEY. Yes. The objective is, at the end of the modular initiative, when it's totally complete, that the Active force will be deployed 1 year in 3. So that's 2 years at home station, or, as we like to call it, "dwell time." For the National Guard, it'll be 1 year deployed, 5 years at home station; and for the Reserves, 1 year deployed and 4 years at home station. So that's our objective, and we're slowly but surely migrating toward that.

General SCHOOMAKER. Sir, if I could add to that very quickly. Last year, our average dwell was 1.2 years for the units that were coming from theater and going back. This year, as you take a look at the 101st and the 4th Infantry Division (ID), the 3rd ID, if they're—stay on schedule, their dwell will be about 1.8 years, on average, some of it a little bit longer than that. And this is directly related to the increase in these brigades—the brigades that we have added to the Army that have allowed us a broader base of rotation.

And as we achieve the 30 percent increase on the Active side, and the modular initiatives on the Guard and Reserve side, this will continue to manifest into the kinds of dwell times that the Secretary described.

Senator INOUYE. The funding for modularity is included in the supplemental. How much of the $5 billion would you have in the 2006 budget?

FUNDING THE ARMY MODULAR FORCE

Secretary HARVEY. The funding for modularity is in the supplemental in 2005, and plans to be in the supplemental in 2006. Then it will be in the base budget in 2007 beyond, the rest of the FYDP.

Senator INOUYE. Do you have any estimate as to the total cost of it?

Secretary HARVEY. Yes. The total cost, if you add it all up from 2005 through 2011, it's $48 billion. And, again, $10 billion in the 2005 and 2006 supplementals, and then the remainder in the base budget in 2007 to 2011.

Senator INOUYE. When you're completed, you'll have 77 brigade combat units?

Secretary HARVEY. Seventy-seven Brigade Combat Team Units of Action, correct, Senator.

Senator INOUYE. I'm from the ancient war. Can you describe what a brigade unit will look like?

Secretary HARVEY. As I mentioned in my opening statement, it'll be a unit of about 3,500 to 4,000 soldiers. There will be three types of units in the near term. There will be a light infantry, heavy, and a Stryker. They'll be standalone, self-sufficient, and have all the functionality that used to—a lot of the functionality that used to reside in the division now is embedded in the Brigade Combat Team; therefore, it is standalone and self-sufficient. An important dimension, as we—as I said, is standardized. That is to say—and the Chief can chime in here, because he's had direct experience in this—and that is that there was no heavy brigade or no light brigade in the force that was like any other one. In this, we'll have—a Brigade Combat Team, say, in the 3rd ID will be exactly the same as in every infantry.

Chief, you my want to chime in.

General SCHOOMAKER. Sir, I would agree. The kinds of things that'll be in these modular brigades are things like increased military intelligence, increased bandwidth to move intelligence down to these brigade levels. You'll have your forward support battalions, which provide your logistics in the brigade—civil affairs, human intelligence (HUMINT), counterintelligence, military police (MPs), engineers, their own artillery battalion, as well as their own RSTA, which is reconnaissance, surveillance, target acquisition capability, inside of these brigades.

But I have to mention, we always focus on the combat brigades, but the modular force also—which we don't talk about, but is involved in this very same money—are the support units of action that are outside these brigades that provide the enhanced capabilities, in terms of aviation, increased higher-level logistics and maintenance, intelligence, et cetera, and then on the Army Guard—or in the Army Reserve side or the combat service support aspects, with the expeditionary packages that we're putting together.

So, it's not just at the brigade. It's at the battle command level, it's at the support level, all the way up where we are building a modular force that can plug and play based upon what we have to do. It's much more capable.

Senator INOUYE. Thank you very much.

Thank you, Mr. Chairman.

Senator STEVENS. Senator Cochran.

Senator COCHRAN. Mr. Chairman, thank you.

FISCAL YEAR 2005 SUPPLEMENTAL FUNDING FOR MOBILIZATION STATIONS

Mr. Secretary, I notice in the supplemental budget request that's been submitted by the Army, you've requested $70 million to construct permanent barracks as part of a new operational readiness training complex need to meet the requirements of mobilizing Reserve-component units. My question is, Is any of this money going to be used to upgrade or improve mobilization centers for the National Guard in connection with the mobilization for Iraq and Afghanistan duties?

Secretary HARVEY. Senator, I think I'm going to have to take that for the record.

I'm not familiar with that level of detail of exactly what that's going to be used for. It wouldn't surprise me if there's monies in there to improve our readiness centers.

Senator COCHRAN. General Schoomaker——

Secretary HARVEY. We'll get you an answer——

Senator COCHRAN [continuing]. General Schoomaker, do you have any information along that line?

General SCHOOMAKER. Sir, I don't have that level of detail, and I think it would be better for us to provide it to you accurately for the record.

Senator COCHRAN. Okay.

General SCHOOMAKER. I've just glanced over here at our Guard leadership, and they also do not have that level of detail.

Senator COCHRAN. If we could have that, we would appreciate it.

[The information follows:]

FUNDING IN THE FISCAL YEAR 2005 SUPPLEMENTAL REQUEST FOR MOBILIZATION AND TRAINING BARRACKS

The fiscal year 2005 Supplemental includes $70 million in military construction for Mobilization and Training Barracks at Forts Carson, Riley, and Bliss. There is an immediate need for adequate facilities to support active and Reserve Component (approximately 80 percent) mobilization, training, deployment, and demobilization. These projects will directly support Army National Guard and Army Reserve Soldiers mobilized for the Global War on Terrorism. The Army National Guard has training and mobilization facilities in their fiscal year Defense Program for two of their power support platforms: Camp Shelby, Mississippi and Gowen Field, Idaho.

Senator COCHRAN. The House is taking up the supplemental, as you know, and marking it up in their committee. And we are not going to take any action on it until they complete work on the bill. But we are going to look at it very carefully. We know that we need to supplement the budget for this fiscal year in connection with our operations in Iraq and Afghanistan. We want to help the administration achieve its goals of total support for our military forces so that they have what they need to bring this war to a successful conclusion. That's the goal, and I know that's your goal, too.

In that context, a lot of National Guard units are being mobilized around the country. And in my State, at Camp Shelby, Mississippi, that facility has been designated as a mobilization center. And so, we've seen the 155th Armored Brigade from our State trained there and brought up to speed and deployed to the theaters. And there are other units, as well. It is a facility that's been in operation since World War II. As a matter of fact, Senator Inouye trained there when he was in the Army and just getting ready to be deployed to the European theater. And it's continued to have a rich tradition of training—excellent training and schools for both enlisted and officers.

My son trained down there, as a matter of fact. And when that same unit was mobilized in Operation Desert Shield/Desert Storm, he trained there and went to Fort Hood, then on to the National Training Center. So we know how important the training is to get everybody up to speed.

But I hope you will take a look to be sure that you're not overlooking some facilities—when you're upgrading facilities to be sure you have the facilities you need, don't overlook some of the National Guard facilities. I hope you'll take a look at that and see if

any of that money is going to be spent upgrading facilities, making sure that the soldiers have what they need at those facilities. It may be old, but they're still doing a great job for the defense of our country.

General SCHOOMAKER. Sir, believe it or not, I trained at Camp Shelby.

IED COUNTERMEASURES

Senator COCHRAN. One thing that was asked already, and that was about the improvised explosive devices and the countermeasures that you're trying to develop. I'm told that there was a crash program being developed—and I had the name of it here awhile ago—in some testing the other day, they had a major setback, I understand. This is called the neutralized IED with Radio Frequency Program. And I don't want to get into classified information. I note that that probably is classified. But there is another technology that has come to my attention, developed to use directed energy instead of radio frequencies to counteract the effects of improvised explosive devices. The Ionatron Corporation is developing that countermeasure. I hope you'll look at that, if you have difficulty with the improvised explosive device countermeasures that you're working on right now. I know you have a task force to counter that threat. But we want to support the initiatives. A lot of the troops from my State, who have been killed over in Iraq, have been killed with those IED weapons.

What is the status of coming to a point where we have a countermeasure that's effective against those devices?

Secretary HARVEY. Let me, we can't say a lot in open session, as you know, Senator, but the countermeasure technology is a sound technology. And it's a matter of how you field it. It's a matter of—I'd better not get into any more. I'm familiar with directed energy technologies for other applications. I personally worked on that in one of my prior jobs. And we'll certainly look into that if it's viable.

Just one remark is, the countermeasure technology is intended to prevent an occurrence where it would appear that the directed energy would cause an explosion, which then—then there's another dimension to how you do that, when you do that. And so, the countermeasure jammer technology has basic benefits to it, rather than directed energy.

But we're open to all this, and it has to be—it's a multitude of solutions to get at this; jammers being the major technology. But we're certainly open to—if it's viable, to look into its application, because, as you said, there is—in my way of thinking, and in the Chief's way of thinking, there's nothing more important than protecting our soldiers. That's foremost on our minds, and we are open to everything. And you've been generous in the past. And I appreciate Senator Inouye's question about, Are there adequate resources? And this is not a resource issue. This is making sure we have an effective technology that does its job. And we have fielded things—and I know you read certain things in the paper—we've fielded things that are 60 percent effective, and we're proud that they are 60 percent effective, because it was zero before. We're not waiting for the perfect solution. We're going to migrate to the—as good as we can get. But we're fielding it as soon as we feel like it's

going to give the soldiers some protection. It may not be 100 percent reliable, but it's better than nothing. So I think we have a viable approach.

We'll look into this, if it has benefits over countermeasure jammers.

Senator COCHRAN. I wish you provide, for the record, the status of the review of the technology that I just——

Secretary HARVEY. Sure.

Senator COCHRAN [continuing]. Described.

Secretary HARVEY. No question.

Senator COCHRAN. Thank you, Mr. Chairman.

[The information follows:]

DIRECTED ENERGY TECHNOLOGY

The Army is aware of the directed energy technology developed by the Ionatron Corporation to counter improvised explosive devices (IEDs). In fact, the U.S. Army Armaments Research, Development, and Engineering Center (ARDEC) has reviewed the work being done at Ionatron, specifically the Laser-Induced Plasma Channel (LIPC). The technology shows promise for countermine neutralization, IED defeat, and possibly other non-lethal applications. In addition, other applications of this technology are being investigated for Homeland Defense. ARDEC is partnered with the Naval Research Laboratory, Ionatron, and the Stevens Institute of Technology in Hoboken, New Jersey to do further study. The President's budget for fiscal year 2006 includes funds for the ARDEC to continue evaluation of Ionatron research.

Senator STEVENS. Senator Leahy.

Senator COCHRAN. Mr. Chairman, may I ask unanimous consent that the statement by Senator Burns be put in the record? He had to go to another——

Senator STEVENS. Without objection, so ordered.

[The statement follows:]

PREPARED STATEMENT OF SENATOR CONRAD BURNS

Thank you, Mr. Chairman. I would like to thank Secretary Harvey and General Schoomaker for coming before our subcommittee this morning, to testify on the Army's fiscal year 2006 budget. I will keep my comments brief this morning and save the remainder of my statement for the record.

Our military, and the U.S. Army in particular, continues to have many folks engaged around the world, especially in Afghanistan and Iraq. It is because of today's 640,000 brave soldiers serving on active duty, that we are winning this war on terror. Our soldiers, sailors, airmen and marines are performing magnificently. With more than 300,000 soldiers deployed or forward stationed around the world, there is no question that our forces are being challenged.

Out of these approximately 315,000 currently deployed soldiers, 113,000 are Army National Guard and 47,000 Army Reserve. In Montana, over 40 percent of our National Guard and Reserve units have been called to active duty. I intend to do my part as their representative to ensure our armed forces have what they need to win this war, protect our homeland, and come home safely.

I read daily of our great American soldiers developing unconventional solutions to solve various problems they face in the field. I think it makes a great deal of sense to have the mechanism in place to bring good ideas from our nation's universities, laboratories and small businesses to the soldiers as soon as possible, bypassing the bureaucracy. I encourage your continued support of Army initiatives to expedite the fielding of urgently needed equipment and life-saving technologies. You will have this Senator's continued support of the Rapid Fielding Initiative (RFI) and the Rapid Equipping Force (REF)—two programs which accomplish just that. These efforts have resulted in the fielding of some truly incredible innovations, and I believe it is important that such efforts—and, therefore, relevant funding levels—continue.

I look forward to seeing how the Army will meet its continual recruitment and retention challenges. I read with some recent news articles about the Army's failure to meet monthly recruitment goals so far this year, putting the Army at risk of not meeting goals for the first time since 1999. I look forward to hearing what initia-

tives you have in place to address these challenges, and I pledge to work with you and support you on this road ahead.

When I am back in my State of Montana, I enjoy talking with our active and reserve component forces. There is no doubt in my mind, the dedication and love these brave men and women have to their country and their work. Their increased optempo since the attacks of 9/11 and the beginning of the Global War on Terror does not, however, come without costs—costs not only to the active duty forces, guardsmen and reservists themselves, but to their families and employers as well.

I am pleased to see that Army leadership has realized this and has reflected these challenges in the Army fiscal year 2006 budget. This morning I look forward to hearing about the Army's plans for rebalancing its forces and reducing the need for involuntary reserve mobilization. I do think it is important that we look at ways to add folks to areas where the Army is currently facing shortages, such as military police, transportation and civil affairs.

Again, I thank you both for being here this morning. I look forward to your testimony.

Senator STEVENS. Senator Leahy.

Senator LEAHY. Thank you very much, Mr. Chairman.

RESERVE COMPONENTS MODULARITY AND RESET

Mr. Secretary and General Schoomaker, as you know, Kit Bond, Senator Bond, of Missouri, and I are the co-chairs of the National Guard Caucus, something we take very seriously. And we support the efforts of the National Guard. I think we all agree that the National Guard's a critical part of our Nation's defense. We also know the—and we hear from our Guard members, we hear from other Senators on both sides of the aisle, about the mobilization of the Guard and Reserves, in both Iraq and Afghanistan. It's the largest, for reservists, since World War II. In fact, at my home State of Vermont, the little State of Vermont, we have 1,000—over 1,000 Guard members deployed. We are the second highest per capita in the country. Senator Inouye's State, Hawaii, is the highest.

Now, we in the Guard Caucus—I think I can speak for both Republicans and Democrats on this—we support your efforts to include National Guard brigades in the Army's modularity plan, which will allow them to provide an important part of the Army's combat capability. But they're going to need the same advanced equipment as their active-duty counterparts. If they're going to be doing the same work as the active-duty counterparts, they should have the same equipment. They need it as soon as they return from their deployments so they can start the training. I think you both agree, training is so essential when they deploy.

Now, I haven't seen any specific official figures from the Army about what's exactly included in the supplemental for Guard equipment in the reset of the deployed forces. The Secretary had said that we would get that information a couple of weeks ago. I know the subcommittee requested it. Mr. Secretary, we haven't gotten it yet. I wish, in the next couple of days, I could get provided with this kind of information. I want—and the subcommittee—to have an official breakdown of what's included with the Army Guard modularity and the equipment reset. Can we get that within the next couple of days?

Secretary HARVEY. Certainly you can.

I'm not familiar with the request. The Chief may want to make a few—we can make some comments right now, if——

Senator LEAHY. Yeah, go ahead, but——

Secretary HARVEY. Yeah.

Senator LEAHY [continuing]. If we could get——
Secretary HARVEY. We will get you that——
Senator LEAHY. Yeah.
Secretary HARVEY. We will fulfill that request.
General SCHOOMAKER. Did you want me to make——
Secretary HARVEY. Yeah, why don't you make a few——
General SCHOOMAKER [continuing]. Did you want me to comment?
Secretary HARVEY [continuing]. Comments about——
General SCHOOMAKER. All right.
First of all, in the supplemental, what we're doing to reset the units that we have sent to Iraq is without regard to component. For instance, the 30th, the 39th, the 81st, those units received the most advanced soldier gear that we could put on them, even ahead of the active force, because of when they were going over there. They will be reset like the active force when they return.
And so, there is—unlike in the base budget, where you have discrete lines for Guard and active, in the supplemental we have aggregated, and we are resetting the units that have gone. Now——
Senator LEAHY. You understand my concern, though. If it's——
General SCHOOMAKER. Yes, sir.
Senator LEAHY [continuing]. Not a discrete line, it sometimes—we suddenly find, when you get budget crunches in other areas, the Guard and Reserve do not get that reset and do not get the——
General SCHOOMAKER. Yes, sir.
Senator LEAHY [continuing]. The equipment. I just want to make sure——
General SCHOOMAKER. Sure, I think that it's fair to say—and you certainly talk to the Guard and Reserve leadership—we are committed to—you know, part of this reset is also part of transforming the Army to a more modular force. They go hand in glove. And so, we must use the resources that you're providing and the momentum we have from our deployments to expedite this process of making the Army more modular, and that's how we're doing it.
Senator LEAHY. Let's see if we can get some——
Secretary HARVEY. Senator, I can give you some specifics, if you'd like, right now.
I just wanted to—and the Chief is—and this is his point, which is, we don't treat the Guard and Reserve any different than we treat the active. The Chief has started this initiative. It's an Army of One. And there's no difference, in our mind, between the active and the Guard.
But specifically for in the fiscal year 2005 for reset, there's $855 million for modularity. There's $800 million specifically for the National Guard. And our plan in 2006 is $850 million for reset, $1 billion for modularity; in 2007, the same. So, over the next 3 years, we have about—if you add all those numbers up, it's about $5 billion for reset and modularity for—specifically for the Guard—in the 3-year period.
Senator LEAHY. If our staffs——
Secretary HARVEY. And we'll provide that for the record. I have it right here.
[The information follows:]

ARMY NATIONAL GUARD MODULARITY AND RESET

The Department needs flexible, rapidly deployable forces and sufficient depth and strength to sustain multiple, simultaneous operations. The Army is transforming to a modular structure to meet these challenges. This new organization will have 77 combat brigades, 43 in the active Force and 34 in the Army National Guard. Transforming to a modular organization will allow the Army to use its people and equipment more efficiently. In fiscal year 2004, the Army added three new active brigades and converted 11 others. In fiscal year 2005, the Army will add another three active brigades, and will convert five active and three Guard brigades into the Modular configuration. The investment portion of the supplemental contains $787 million to procure equipment to support these Guard brigades which are scheduled to deploy to Iraq, in accordance with the Army's Campaign Plan. This equipment is listed below.

FISCAL YEAR 2005 ARNG EQUIPMENT SUPPLEMENTAL REQUIREMENT [1]

[In thousands of dollars]

Nomenclature/item name	Fiscal year 2005 GWOT reqts
SINCGARS	28,800
Tactical Radios (HF–150)	7,300
Tactical Radios (PRC–148)	5,900
Tactical Radios (PRC–117)	8,250
JAVELIN Control Launch Unit—RC	88,000
M249 SAW MG, 5.56 mm	15,864
M240 MG, Armor MG 7.62 mm	18,595
M4 Carbine 5.56 mm	12,621
Sniper Rifle, M107	1,188
M4 Carbine Mods	4,075
M249 SAW MG Mods	556
SHADOW UAV	12,500
Bradley RECAP (WTCV)	70,300
CI/HUMINT Information Management System	5,400
AFATDS	10,950
AN/PAQ–4 (RC)	2,700
Driver Vision Enhancer	3,981
Long Range Adv Scout Surveillance System	36,970
AN/PVS–14	38,800
M119A2	23,577
Improved Target Acquisition System	35,000
Digitized Topographic Support System	10,200
KNIGHT	12,900
M240 MG Mods	221
JAVELIN Control Launch Unit—AC/RC	27,664
Management (ADAM) Cell	18,000
Mortar Fire Control System (MFCS–H)	38,577
PROPHET Block II/III	7,891
TROJAN SPIRIT	11,052
All Source Analysis System	5,856
Distributed Common Ground System—Army	120
Q36 (Shelters)	10,100
BCS3	21,100
LLDR	16,000
Abrams Blue Force Tracker Installation Kits	2,100
Maintenance Support Device	23,620
FORWARD REPAIR SYSTEM	36,634
Lightweight Handheld Mortar Ballistic computer (LHMBC)	3,732
SHOP EQUIPMENT CONTACT MAINT TRUCK	12,111
120 mm Mortar System	22,700
TRAILER MOUNTED WELDING SHOP	1,452
LMTC	28,200
FMTV	45,438
Total fiscal year 2005 ARNG equipment supplemental request	787,000

[1] Identified to support the conversion of ARNG BCTs in accordance with the ACP.

Senator LEAHY. I appreciate that, Dr. Harvey. I really do. And if we can have our staff, sort of——

Secretary HARVEY. Sure.

Senator LEAHY [continuing]. Keep in touch with this.

FORCE PROTECTION INDUSTRIAL BASE

I was concerned, on the article that was in the New York Times on Monday, about the delay in providing armor protection for our troops in Iraq. The article, sort of, said it was not so much the lack of an industrial base, or even bad decisionmaking at the highest level, but some kind of absurd bureaucratic delays that sound like a Kafka novel as you read it. Former Defense Comptroller, Dov Zakheim, who was a frequent witness before this panel, pointed out that the Defense Department didn't add more manufacturers of armored vehicles because it didn't want to acknowledge previous mistakes and then alarm the public. Several of your supply chiefs were quoted about delays that prevented production orders from going out on contract more quickly and about the supply issues that prevented what was actually made getting into the hands of troops who needed it urgently.

I think every one of us on here received letters and calls on this armor question. I'm hoping that the Armed Services Committee, the authorizing committee, will ramp up a series of hearings on this.

I just want to know if you share our concern and our outrage. Because you look at this—you find foreign countries seem able to somehow get past the bureaucratic delay. I mean, what's happening?

Secretary HARVEY. Well, can I just—if somebody would put up a chart here, I'll show you, kind of a history, and then make some comments about it.

Senator LEAHY. And if you feel the article was inaccurate, say so.

Secretary HARVEY. Well, it wasn't totally accurate, for sure.

This is a chart of up-armoring of the spectrum of vehicles that we have in theater, from Humvees to medium tactical wheeled vehicles to heavy. So we have seven different categories. And you can see there, starting in the fourth quarter of 2003, when the—kind of, the timeframe certainly wasn't around—but when this threat, the IED threat, became apparent, there was a very big effort to up-armor all vehicles. Today, you can see, over there, that we are now about—31,000 out of the 32,000 vehicles are up-armored, so nearly 100 percent are armored. Most importantly, no vehicle that goes out of camp with an American soldier goes out without armor. So today—and that started in the middle of February—every vehicle that leaves a forward operating base is armored, because of the record there of up-armoring.

Now, let me just say, from my point of view, because I've been on the other end of procurement and I've worked in the aerospace and defense industry. It's universally believed that it takes too long—the acquisition process takes too long. There's stories galore about it. In this case, it was accelerated by leaps and bounds above what it had traditionally been. We had the Rapid Fielding Initiative, the Rapid Equipment Fielding initiative. My point of view is, progress has been made. It still takes too long. And I have tasked

my Assistant Secretary for Acquisition, Logistics, and Technology—and the Chief and I have talked about this in great deal, that we don't want to lose the momentum of reducing the cycle time of acquisition. We want to codify and institutionalize this. And our idea is to see if we can take the best of an acquisitions system which is made somewhat for large developments, and distill it down so that we can rapidly field this equipment.

I think that the record will show that we've done better. It's still not good enough, in my mind. We still need to get it quicker.

Now, in regard to that article, it failed to mention that the body armor that was procured in 12 days was inferior to our Small Arms Protective Inserts (SAPI) plates, it was inferior to what was fielded. And, quite frankly, we wouldn't put it on our soldiers.

So, there was a little bit of inaccuracies in the article. I think that you can—you know, this is half-full/half empty. You can look at that and say, you're there now. We're there in body armor, we're there in vehicle armor. It took too long. But it was accelerated above what it normally would be. And you have to understand, also, that this just isn't going to the hardware store; this is a design and test phase. It would be a tragedy for us to go develop something that didn't provide the protection and gave the soldier a false sense of security. So it had to be tested, it had to be designed specifically for these vehicles that—it was never intended to have armor.

And as you can see from this picture up here, that's a up-armored HUMVEE, and every soldier that was in that vehicle walked away. So there is some good news in this. But I am committed to further improve this acquisition cycle.

Chief, you may want to make some comments.

General SCHOOMAKER. Right. May I have a couple of seconds to say something?

Number one, I am not happy with the acquisition system. It is a product that a lot of people ought to share the blame for. It is designed to never make a mistake. It is not designed to be effective, and it is certainly not designed for war. And so, I have asked repeatedly that we reform the acquisition system to be more closely related to what I had when I was Commander in Chief in Special Operations Command, and that is to get the bureaucracy and all the fingers and all of the people that want to make sure that they get their piece of the lollipop out of the system.

Senator LEAHY. Did you say "lollipop?"

General SCHOOMAKER. Of the lollipop. Lick the big lollipop. Uncle Sam's lollipop.

I think we all share in some responsibility there for that.

Number two, we have never up-armored things like jeeps. We had 500 of them in the Army. I'm not suggesting this was the best move, but it's what we had. And it was designed for scouts and MPs. And this war, with what we got, indicated that we had to provide better protection for soldiers. As we've already said, even M–1 tanks have been blown up. So there is a physical limitation to how much armor you can put on things. And one of the physical limitations we have are—the vehicles that we had to up-armor were not designed to carry the armor. And so, we've now had excessive rollovers of these vehicles. We've had excessive wear of these

vehicles. We've had all kinds of problems with these vehicles. And so, we have made some major changes to get the right kind of heavy-duty vehicle to carry this armor.

In light of the system we have, this is extraordinary. And if you want to read a great story, read about the United States Army and this country in World War II and the 2 years and 3 months and 7 days it took for it to crank up its system from the time that the war started to get ready to go into North Africa. And you can read it in Rick Atkinson's book, called "An Army at Dawn." And it would make you very proud of what this Army has done to get ready and to fight this war in the last year.

Senator STEVENS. Thank you very much.

Senator Hutchison.

Senator HUTCHISON. Thank you, Mr. Chairman.

I want to assure General Schoomaker, we are very proud of the Army and the way——

General SCHOOMAKER. Thank you.

Senator HUTCHISON [continuing]. They have taken the burden of this war on terror. It's phenomenal.

I have two questions. First, let me say, to both the Secretary and to General Schoomaker, that I think your efforts at modularity are innovative and bold, and we want to support, in every way, the efforts that you are making in this regard.

MILITARY CONSTRUCTION (MILCON)

I was concerned, I have to tell you, yesterday, when I was in my military construction hearing, to note that Army military construction is 16 percent down from last year; Air Force is 61 percent up. Now, I'm not comparing services, and I am not in anyway saying that it's wrong that Air Force is up. However, we do know that the Army is carrying such a load in not only the war on terrorism, but in the reconfiguration. We do know that it will be mostly Army people moving back from Europe for the long term. And my question is, How can you get by with a 16 percent cut in military construction when you are being asked to do so much?

Secretary HARVEY. Senator, one of the reasons—and I'll get you a detailed answer for the record—is, one of the effects we have going on here—there's a number of sub-elements, one of which is, because of the residential community initiative, which is the privatization of our housing, that—which the private sector now——

Senator HUTCHISON. Right.

Secretary HARVEY [continuing]. Takes care of—we have less need for monies in Army family housing. The other effect is that, because we are globally rebasing, as you indicated, and bringing a lot of people back from Germany, the Army construction housing—we're just maintaining, rather than building anything new. We're going to maintain those residents in what we have.

So let me get you a detailed answer for the record.

[The information follows:]

DECREASE IN MILCON BUDGET

While the regular Army's construction budget is lower than the fiscal year 2005 level, the budget represents a balance among the Army's requirements and supports our highest military construction priorities, which includes barracks, family housing, training ranges, Army National Guard Readiness Centers and aviation facilities

and Army Reserve centers. The fiscal year 2006 budget request supports global restationing moves, part of which is in the base, realignment, and closure wedge. Reductions were made to the Army family housing appropriation to account for housing privatization. These funds were moved to the Military Pay appropriation to cover basic allowance for housing so Soldiers could pay their rent.

Secretary HARVEY. But I think, macroscopically, this—I'm looking at the numbers, and I realize—and I actually asked the same question, because, on the surface, it looks like, you know, we're not doing what we need to do. But I think, down in the detail, there is these other effects.

General SCHOOMAKER. If I could, Senator, number one, the work last year, where you supported the raising of the cap for RCI, has allowed us now to almost double the number of installations. We went from 23 installations now to about 45 installations. We went from something like 30—in the high—30,000 homes to over 85,000 homes that we're going to be able to build now on the RCI project. And so, this has an impact and an offset.

And the second thing is, because of the plan to modularize the Army force, we cannot use MILCON. It doesn't work fast enough for us to get the barracks, et cetera, built fast enough. And, therefore, we're doing some of that with supplemental funding for the units that we're standing up to go to war through the temporary barracks, as an example. And we will follow up with permanent construction in those enduring facilities that we know, as we rebase, bringing 70,000 soldiers home from Europe, for example, and 100,000 family members, that will be absorbed in Continental United States (CONUS), and we want to make sure that, when we get through—if there is a Base Realignment and Closure (BRAC), we want to make sure that we get through the BRAC process and invest in the places that we need to invest, you know, as a result of that.

So it's very complex. I think we owe you an answer for the record.

Secretary HARVEY. Yeah, we do.

General SCHOOMAKER. But my view is, we're advancing the checker, not retarding it——

Senator HUTCHISON. Well——

General SCHOOMAKER [continuing]. And there's a fundamental difference between the Air Force and the Army in this regard, because they have a different situation on their hands than we do, as you know.

Senator HUTCHISON. Well, that's true. And let me say that I like the privatized housing. It is so much better quality. The neighborhoods look like neighborhoods, and the—all of the Army people that I've talked to love it. Well, all the servicepeople, where they have these units, love it, which is good. But that does mean you're going to have to use the savings from construction to go into the lease payments that are a part of that contract.

So I'm not against that, as long as you're not shortchanging the other types of buildings that are needed for better training facilities, for all of the troops that will be brought home and reconfigured.

Secretary HARVEY. In this regard, let me tell you, Senator, something we did—the Chief and I did a couple of weeks ago in looking into our Barracks Modernization Program, which is an ongoing pro-

gram to bring the 136,000 barracks that we have up to a quality standard, plus what we call a "One-and-One," which is a very nice arrangement where there's two separate rooms and a common area. We call that the "One-and-One." It came to light in one of our briefings, to the Chief and I, that there are still 20,000 substandard barracks that don't meet quality standards. The Chief and I looked at each other. We said, "That is unacceptable." We're reprogramming money within our accounts to take care of that this year, so that the 20,000 substandards—the good news is, 80 have been converted; the bad news is, there's 20,000. Then you ask the question, "Well, when's that going to happen?" They say, "Well, this is the program. It goes to 2009." You say, "Unacceptable. We're going to do"——

Senator HUTCHISON. Good.

Secretary HARVEY [continuing]. It right now."

So you can rest assured that we're sensitive to this and that we ask our soldiers and their—in this case, the single soldiers—to sacrifice for this country; they can live—and, as you heard, their quality of life should match their quality of service. So we—we're putting our dollars where our words are.

General SCHOOMAKER. That 20,000 barracks are rooms. That is not buildings. So there's 177 buildings and 20,000 barrack spaces——

Senator HUTCHISON. I understand.

General SCHOOMAKER [continuing]. Is what we're talking about. And we will——

Senator HUTCHISON. And I like the——

General SCHOOMAKER [continuing]. Have that done.

Senator HUTCHISON [continuing]. I've seen the "One-and-Ones." I like them very much.

Secretary HARVEY. Yeah.

General SCHOOMAKER. Yeah, the "One-Plus-One."

ARMY DEPOT CAPACITY

Senator HUTCHISON. Second question, on depots. We are now—at Red River Army Depot, for instance, they are putting out two to three times the work, doing a great job in armoring vehicles. But there was a time when Red River was not doing as much. And my question is, as we are looking at the long term for the Army, do you look at being able to surge and keeping the, maybe, excess depot capacity in the future for your vehicles, looking at the kind of security threats we're going to have, so that we would looking at needing to keep that capability that we are seeing in, now, all three of the vehicle maintenance depots that we have?

General SCHOOMAKER. From the military perspective, the answer is, yes. And these are the factors that we placed into the whole comprehensive look. I couldn't speak directly to Red River. As you know——

Senator HUTCHISON. Right.

General SCHOOMAKER [continuing]. There are a number of arsenals and depots, et cetera. But I think it's very clear that the surge capacity was absolutely fundamental to our success in doing what we just showed here on——

But I am concerned about things like industrial base. For instance, we have one ammunition plant in this country for 50 caliber and below that services not just the Army, but the Air Force, the Navy, the Marine Corps, and the Coast Guard, and everybody else. And our requirement's for about $2 billion a year, and the machines in this factory are 1940 and 1942 machines, still run by leather belts. And much of this is a hand process. For instance, all of the primers for all of our small-arms ammunition are still handloaded and eye-inspected.

Senator HUTCHISON. Well, General Schoomaker, you mentioned that you don't like the acquisition process. That is a factor in what you're just saying, because, with one place to make that ammunition in America, and the costs are different from foreign competitors, I think looking at our own U.S. capabilities to make that kind of ammunition should be a factor in our——

General SCHOOMAKER. I couldn't agree more.

Senator HUTCHISON [continuing]. Acquisition decisions, because we're going to run the one out of business because they can't compete with foreign companies.

General SCHOOMAKER. Senator, I couldn't agree more. And I'll tell you that, as a mitigating factor, we went offshore to look at foreign capacity to produce the small arms, and we went inside the country to look at it, and there are limitations commercially; not only limitations in terms of numbers that can be produced, but quality. And, as you know, we have very—we have to have very high standards in the quality of our ammunition, you know, for our troops.

Senator HUTCHISON. Well, we want to work with you on that.

General SCHOOMAKER. Thank you.

Secretary HARVEY. Let me just add, Senator, to your point about the depots and the arsenals, which are very important in our ability to do what we just showed you, that, besides their own product lines and their own reset activities, they participate in a lot of the up-armoring. In 2003, across the five depots and three arsenals, we generated about 12 million productive hours. This is how you measure a factory's output. This year, it will be something like 19 to 20 million productive hours. And next year, the schedule is for 25 million. So we have really cranked up, so to speak, the depots and arsenals. They have played a very important role. And we take a strategic look at those, and that's our view, based—it's based on this experience.

Senator HUTCHISON. Thank you very much.

Thank you, Mr. Chairman.

GROUND-BASED MID-COURSE MISSION

Senator STEVENS. I just want to ask one question, if you can provide an answer for the record. I understand there's a question of using dual-status 10 title—dual-status, title 10, title 32 Guard personnel for the Ground-Based Midcourse mission in Alaska. It's my understanding that was in the basis of the plan—original planning for that mission, but would you, for the record, explain which authority the Guard personnel for this mission will be designated, and whether a decision will be made to change the original plan?

Secretary HARVEY. We'll do that, Senator.

[The information follows:]

DUAL STATUS TECHNICIANS FOR GROUND BASED MID-COURSE MISSION IN ALASKA

There are no dual status technicians contemplated for this mission, all are Active Guard Reserve (AGR) or active duty Soldiers. It has been the Army's intent to employ the original manning model wherein the Colorado Army National Guard (ARNG) and the Alaska ARNG Title 32 Active Guard Reserve Soldiers who transition to title 10 to perform federal operational missions. These missions include duties to control, operate, or maintain the GMD system, or to secure or defend any GMD site or asset. Prior to making a formal decision, the Secretary of the Army entered into consultation with the Under Secretary of Defense for Personnel and Readiness (USD(P&R)). Those consultations continue with USD(P&R), with a decision forthcoming.

Senator STEVENS. Now, could we have the honor of having a photograph taken with these three young men who are part of the newest Greatest Generation? We'd like to personally congratulate them, if that would be possible.

Secretary HARVEY. Absolutely.

Senator COCHRAN. Can I ask a couple of more questions?

Senator STEVENS. Oh, pardon me, Senator, do you have—yes, we have time.

Senator COCHRAN. Mr. Chairman, thank you very much.

FIRESCOUT UNMANNED AERIAL VEHICLE (UAV)

Let me ask, before we get to the photograph, there are a couple of questions that I had that I would like to get on the record today, if we could. I don't think the supplemental provides a request for funding of the Firescout, but I know that this is a new unmanned aerial vehicle that is being looked at very closely by both the Navy and the Army. Testing has already commenced by the Navy, and I understand the Army plans to commence testing soon. And if I'm correct, this is a new platform that will provide operational capability for commanders in the field far greater than we have in any other unmanned vehicle that is in the inventory at this time.

Could you tell me if—and this is the Firescout system that I'm talking about, specifically—it would provide the Army with the opportunity to accelerate force capabilities into the current force. And this is my question. Even though this was looked at as a part of the future Army inventory, could you provide an estimate for the record on the earliest integration that you foresee for Firescout into the Army's inventory of resources?

General SCHOOMAKER. Just to make sure I understand, I think you're talking about the A–160 rotary UAV. Is that——

Senator COCHRAN. It is——

General SCHOOMAKER [continuing]. Correct?

Senator COCHRAN [continuing]. It can be used as an attack helicopter, it can be used——

General SCHOOMAKER. Okay.

Senator COCHRAN [continuing]. To direct fire. It has a lot of capabilities, that's right.

General SCHOOMAKER. You are correct. That is being looked at as part of the Future Combat System. It is something, certainly, as it would be available, we would spiral. And we'll get you an answer for the record, in terms of that.

[The information follows:]

INTEGRATION OF FIRESCOUT UNMANNED AERIAL VEHICLE (UAV)

The Army has selected the RQ–8 Firescout as the Future Combat Systems (FCS) Class IV Unmanned Aerial Vehicle (UAV) solution. The Army plans to field all four classes of UAV beginning in fiscal year 2014 to the first Unit of Action. The Army will continue to assess the technology readiness of the FCS UAVs in concert with the other FCS platforms and network to determine if an accelerated fielding date is feasible and prudent.

Senator COCHRAN. Thank you.

HOUSING AT KAWAJLEIN

The Senator from Texas asked you about barracks and the need to upgrade facilities. And this is a critical problem in some areas. We also want to point out, the Army has control and jurisdiction over Kwajalein. There's a lot of work being done out there in connection with our missile defense program. A lot of people come and go out there. But the facilities for housing are dilapidated, old, worn-out facilities. There are a lot of trailers that were built—put on the island in the 1960s, and are falling apart. There's a new dome construction housing program out there that's working well, and I'm told that you could use some more housing out there for the people who are working in this program. Since it's the Army's responsibility, would you look at that and see if you could accelerate the purchase of this—dome housing components. We think it's cost effective. That's what we were told. But verify that for me, and if it needs to be in the supplemental, let us know.

Secretary HARVEY. Okay, we'll do that.

[The information follows:]

U.S. ARMY KWAJALEIN ATOLL (USAKA) DOME HOME INITIATIVE

At this time, the Army is not able to accelerate funding to provide dome-style housing for the stationed workforce population at U.S. Army Kwajalein Atoll. Other pressing Army funding requirements in Military Construction, Army and Research, Development, Test and Evaluation (RDT&E), Army accounts outweigh the Army's ability to replace the 1960 vintage trailers.

While overall Army requirements exceed the ability to accelerate funding, the present housing situation is in an extremely deteriorated state. Kwajalein, an essential missile test and space surveillance facility, is basically a government-owned, contractor-operated installation. The demographics of Kwajalein include approximately 25 military, 70 Army civilians, and 1,100 American contractors. For the past couple of decades, the infrastructure has been failing and continued patchwork on many deteriorated structures, to include many of the trailers, is no longer an option. Over 200 single-wide aluminum 1960's vintage trailers continue to house the U.S. Army, government civilian and contractor personnel. Annual cost to maintain these trailers exceed $5,000 per unit.

Direct appropriations for Kwajalein are provided through RDT&E. Recent housing upgrades at Kwajalein are the results of Congressional add items. Boeing, a tenant on Kwajalein, paid for 15 dome facilities for permanent residents in support of missile defense programs (specifically Ground-Based Midcourse under Missile Defense Agency). These domes have been in use for almost seven years, and will revert to government control upon vacation of Boeing as the GMD mission concludes. They are leak proof, mold and mildew resistant, free of pests, and are aesthetically consistent with island infrastructure. USAKA was Congressionally authorized and approved to build ten dome homes in 2003, but the funding was not appropriated. These homes were built with funds shifted away from other infrastructure needs. Commensurate with the construction, a number of trailers were disposed of. USAKA did receive $2.1 million in a supplemental in 2004 to build eight domes, and $1.8 million in 2005 for an additional eight domes. Total number of dome housing on island, either complete or under construction, is 41. These dome homes have a life expectancy of 50–75 years with much more cost effective maintenance costs than the trailers.

ADDITIONAL COMMITTEE QUESTIONS

Senator COCHRAN. Thank you.

Thanks, Mr. Chairman.

Senator STEVENS. Yes, sir.

Senator COCHRAN. I have other questions I'd like to submit for the record.

Senator STEVENS. We are going to submit some questions for the record, yes, sir. We would appreciate your response to those questions.

[The following questions were not asked at the hearing, but were submitted to the Department subsequent to the hearing:]

QUESTIONS SUBMITTED TO HON. FRANCIS HARVEY

QUESTION SUBMITTED BY SENATOR TED STEVENS

FUTURE COMBAT SYSTEMS

Question. What is your assessment of the Future Combat System and what technologies do you feel pose the greatest challenge to this program?

Answer. Building on the modular organization, the Future Combat System (FCS)-equipped Unit of Action (UA) is designed for the future operational environment that our strategic thinking predicts. The embedded network capabilities allow the FCS-equipped UA to fully leverage Joint capabilities and ensure that we have created a force that is fully integrated and capable of achieving decision superiority.

The FCS-equipped UAs will be the Army's future tactical warfighting echelon; a dominant ground combat force that complements the dominant Joint team. FCS will improve the strategic deployability and operational maneuver capability of ground combat formations without sacrificing lethality or survivability. The challenges for this program and the Army are developing the network centric environment, and defeating future kinetic threats. The FCS program takes these challenges head on to develop the kind of intelligence and situational awareness required for surviving in the current to future environment.

QUESTIONS SUBMITTED BY SENATOR THAD COCHRAN

ARMY NATIONAL GUARD INFORMATION SYSTEMS REDESIGN

Question. Secretary Harvey, in February 2004 the President mandated a significant redesign of Army National Guard installation information systems to bring them into compliance with existing management systems. I have been informed this redesign is critical to coordinating national and regional responses during a natural disaster or act of terrorism. The redesign would also improve mobilization and training of National Guard brigades supporting the Global War on Terror. I did not see any request in the fiscal year 2006 budget submission to fund this mandate. What is your assessment of the Army's approach to improve Enterprise Resource Planning for National Guard Installations, the capabilities required to support deployments, and the Army plan to fund this Presidential mandate?

Answer. The Army National Guard (ARNG) is currently in the process of overhauling and modernizing all of its automated systems to adhere more closely to a commercial enterprise resource planning (ERP) solution. The ARNG recognizes the importance of this initiative and reprioritized existing funding ($1.7 million fiscal year 2004 and $3 million fiscal year 2005 Operations and Maintenance, National Guard (OMNG)) which was supplemented with an fiscal year 2005 Congressional add ($1 million OMNG). The ARNG is currently conducting an enterprise business process architecture study that includes not only installation management but also finance, logistics, and human resources.

The February 2004 Presidential order mandating establishment of a Federal real property asset management system requires a significant re-look of the Guard's information systems to bring them into compliance. Federal statutes mandate that state Guard funding and facilities be managed by the National Guard apart from the active Army. The Army has embraced ERP planning philosophy, methodology, and commercially-proven software to take an Army enterprise approach to modernizing its logistics management systems that affect the operation of Guard units in 54 states and territories. The ARNG has begun a process to develop an ERP-based

Guard installation management system which will allow Guard units, in the future, to support local and state authorities, state police, and state and federal agencies like FBI, NOAA, DEA, EPA, and CDC. Since the ARNG manages its military construction program, separately from the active Army, upgrades to the installation management system are essential for efficient modernization of the Army Guard's national infrastructure. In the future, State systems will be linked, allowing efficient and coordinated regional and national response. They will also be linked with the National Geospatial Agency's vast digital library of geospatial and mapping data, providing Guard commanders at all levels accurate and actionable visualization information of individual buildings, posts and Readiness Centers, highways, cities, counties, regions, and other items of interest. Army Guard facilities are used to deploy forces during emergencies and combat operations. The Guard's legacy information systems for installation management proved to be inefficient for deploying units to Afghanistan and Iraq. They are incapable of providing critical asset visibility outside of individual States, and do not have interfaces to the systems of federal and state emergency management agencies such as FEMA. The ARNG facilities receive, stage, train, and deploy ARNG during state emergencies and preparation for combat operations and require an installation management solution that will modernize installation business operations and support state and federal missions. In today's climate, where the Army plays an ever-increasing role in conflicts all over the globe, it is imperative that the ARNG take a proactive approach. The ARNG will continue to move ahead with modernization initiatives and fully intends to integrate Army initiatives when implemented.

The ARNG must continue with its efforts to develop an ERP-based installations management system. Extending the ongoing business process study from high level business processes to the transactional level would be valuable in determining the value added of an ERP project. The business model, in Department of Defense architecture framework standards of the ARNG installations management using the access request information system toolset and delivery of an integrated proof of concept pilot implementation of the installations management solution using commercial, off-the-shelf software—SAP™ (Enterprise and Solution Manager), and ESRI™/DISDI Geographic Information System would be in concert with other ongoing DOD and Army ERP projects. The proof of concept will be piloted at two ARNG facilities, to be determined at a later date.

ROTORCRAFT HUB

Question. Secretary Harvey, helicopters continue to perform a myriad of missions around the world while the cost of operating and maintaining these aircraft continues to rise. I would think that with the increased number of aircraft operating in combat, with many exceeding expected annual flying hours, any technology that improves maintainability and performance would provide a welcome benefit.

Hub drag is one major problem in helicopter operations that is in need of improvements. I have been informed that Brannon Industries, located in Johnson City, TN has a rotorcraft hub shroud design currently in development which could provide these needed improvements. What are your thoughts on this technology and its potential impact on aircraft operations, maintenance and overall savings?

Answer. We recognize the issue of hub drag in Army helicopter operations and are evaluating several solutions to this issue, including the one offered by Brannon Industries.

QUESTIONS SUBMITTED BY SENATOR PETE V. DOMENICI

RECRUITING AND RETENTION

Question. Do you believe that enhanced enlistment bonuses, increased recruiters and other incentives for individual soldiers will be enough to overcome current recruiting difficulties for the Army?

Answer. The Army has examined the fiscal year 2005 recruiting environment and expects this environment to remain equally challenging into fiscal year 2006 and fiscal year 2007. The operations in support of the Global War on Terror, Operation Iraqi Freedom and Operation Enduring Freedom are only a part of this recruiting environment. Additionally, the Nation is experiencing an improving economy as well as improving unemployment rates. Today's youth continue to have options that do not necessarily include the military. We believe that we are implementing a sound plan to address these issues.

The Army is not only aggressively adjusting our number of recruiters, advertising dollars, and incentives. We are shaping the Army's future policies to allow the com-

ponents to adapt much quicker to the Army's recruiting environment. We remain committed to attracting high quality men and women to serve as Soldiers.

END STRENGTH

Question. In a related question, do you believe that the current attempt to restructure forces so more soldiers are in combat roles rather than administrative jobs are enough to address "end strength" concerns? Or will a legislative increase in the number of troops be required?

Answer. No. Military to civilian conversions represent a fraction of Army efforts to make better use of available manpower and relieve force stress. We have numerous other actions underway such as rebalancing the numbers and types of capabilities between components, adjusting our overseas footprint, modular force designs, improved management of readiness and resources with the Army Force Generation model, use of contractors on the battlefield to offset soldier requirements, applying technology to leverage "reachback" capabilities here at home, and a host of other initiatives.

Individually, these actions are not enough to address "end strength" concerns. Collectively, they represent a powerful large-scale endeavor to relieve stress on our Soldiers and families. A legislative troop increase will be necessary if current force requirements persist (or increase) during the coming years. If force requirements decline over the coming months, a legislative increase will not be required.

QUESTIONS SUBMITTED TO GENERAL PETER J. SCHOOMAKER

QUESTIONS SUBMITTED BY SENATOR TED STEVENS

MODULARITY

Question. Many are questioning the inclusion of Modularity funding in the supplemental. Please explain why Modularity requirements are included in the supplemental request and describe how Modularity has helped our troops currently deployed and those preparing to deploy to Iraq and Afghanistan.

Answer. There are two reasons that justify why the cost of modularity is part of the fiscal year 2005 Supplemental. First, these requirements directly support the war fight because they equip units planned for deployment to Iraq or Afghanistan. The Army developed estimates for the Army Modular Force after reviewing the specific equipment and facility needs of those units planned for conversion. The supplemental supports only those equipment requirements for these near term deployers, both active and Reserve Component.

Second, the accelerated process of the supplemental when compared to the normal budget process—a matter of months compared to almost two years—permits us to more precisely determine our requirements in this very dynamic environment. We have programmed for modularity requirements beginning in fiscal year 2007 when we will have more certainty of our deployment schedules and associated equipment and facility needs.

Modularity helps our forces deployed to or preparing to deploy to Iraq and Afghanistan by making them more lethal and mobile. We can incorporate the most recent lessons learned in our training techniques and tactics and we can ensure our soldiers have the equipment they need to defend against and attack the latest tactics used by the enemy.

In the future, modularity will relieve stress on the force by increasing the number of brigades and rotational depth of the force. With increased rotational depth, the Army can reduce the frequency and duration of deployments. In conjunction with the Army's force stabilization initiative, deployment schedules for Soldiers and their families will become more predictable. Modular force elements have full spectrum capabilities along the entire range of military operations. This allows the Army to generate force packages optimized to meet the demands of a particular situation, without the need to deploy additional Soldiers unless absolutely required.

ARMY AVIATION MODERNIZATION

Question. Your recently released aviation modernization plan contains sweeping changes; tell us about the status of this plan and how you plan to mitigate risks along the way.

Answer. The Aviation Modernization Plan is linked to the Army Aviation Transformation Plan and the current warfight. As such, we have already started the implementation of the modernization plan: acceleration of upgrades for aircraft survivability equipment on our aircraft deployed to Operation Iraqi Freedom (OIF) and

Operation Enduring Freedom (OEF), reset and recapitalization of our current fleets, and continuing to complete the acquisition documentation for the new start programs (armed reconnaissance helicopter, light utility helicopter, future cargo aircraft, and the extended range multi-purpose unmanned aerial vehicle system). We will continue to mitigate risk by leveraging supplemental funding to jump start our Reset and Recap efforts for our legacy fleet, oversight provided from the Department of Defense and Department of the Army Acquisition Executive, vetting the new start programs through the Joint Capabilities and Integration Development System (JCIDS), and monitoring programmatics to ensure cost and production schedules are maintained for our new start programs.

QUESTIONS SUBMITTED BY SENATOR THAD COCHRAN

PROFESSIONAL MILITARY EDUCATION

Question. I have been informed that Secretary Rumsfeld asked the Joint Chiefs of Staff to provide options on how to reduce the officer professional military education programs during stress periods, such as during current operations. One of the recognized strengths of the United States Military is its professional military education. Would you share with this committee your thoughts on this matter?

Answer. The Army is in the process of developing and executing training transformation initiatives. These include changes in structure (additional Intermediate Level Education (ILE) capacity), course content, delivery methods, and course length/administration of Professional Military Education/Joint Professional Military Education (PME/JPME) (ILE Course Location capability). The Army has made significant strides in the execution of JPME. These changes will better support both the current war effort and those of the future by providing officers who are better educated, more prepared and able to adapt easily to situations in a joint/coalition environment. The Army can continue to support the combatant commander by releasing the minimal number of officers for mission support. This will not reduce the Army's educational investment in developing its leaders, who can contribute effectively to the joint warfight. The Army is committed to developing its leaders, while simultaneously fulfilling all operational requirements.

MODULARITY

Question. The Army is placing great emphasis on its efforts to transition to a modular force. We know that the fiscal year 2005 supplemental request contains funding for modularity, approximately $5 billion for the Army. There are no funds in the fiscal year 2006 budget for modularity, even though this effort will continue well into the future. Could you describe what the current Army will look like at the end of fiscal year 2006 and the rate at which the remainder of the Army will become a modular force?

Answer. By the end of fiscal year 2006, the Army plans for 11 modular UEx headquarters, 46 modular combat brigades (heavy, infantry and Stryker) and 47 modular support brigade headquarters in the active Army, Army National Guard, and Army Reserve. The Army will continue converting active, Guard, and Reserve structure to modular force elements through fiscal year 2010 to create additional modular combat brigades, modular support brigades and subordinate elements, and modular UEx headquarters.

QUESTIONS SUBMITTED BY SENATOR PETE V. DOMENICI

MOBILE TACTICAL HIGH ENERGY LASER (MTHEL)

Question. The Army has not included funding for the Mobile Tactical High Energy Laser (MTHEL) in its fiscal year 2006 budget request. It is my understanding that this decision is driven partly by a lack of funding contribution from the Israeli government (our international partner on MTHEL), and partly because MTHEL funds were reprogrammed to support overseas operations.

One of my great concerns about the operation in Iraq is the difficulty of addressing the threat posed to our troops by rockets, artillery and mortars (RAM). Furthermore, I believe that directed energy is the best solution to this problem. In particular, MTHEL has shown maturity and testing success against RAM threats. I believe we have an obligation to our troops to accelerate MTHEL operational capabilities to achieve better force protection.

Do you agree that directed energy (DE) is the most practical solution to the problem of defending against rockets, artillery and mortars? If so, what is the Army's level of commitment to DE?

Answer. Directed energy (DE) is certainly one solution the Army is considering. We have destroyed over 50 rocket, artillery and mortar (RAM) targets with the tactical high energy laser (THEL) testbed at White Sands Missile Range. In its current form, however, THEL is not easily deployable and could not provide a near-term, full-force protection capability against mortars.

The Army is fully committed to researching and developing DE weapons and recently established a product manager's office to transition DE applications from research and development (R&D) activities to the Soldier as fully integrated and supported systems.

In order to move technology supporting a counter RAM capability forward more aggressively, there are several activities we are pursuing concurrently. The Army continues to support the Joint Technology Office solid state laser (SSL) development strategy and has used fiscal year 2005 Congressional adds to help accelerate this process. The Army is also working with Defense Advanced Research Projects Agency to accelerate other highly promising SSL technologies and laser architectures.

Over $21 million is budgeted in fiscal year 2006 for continuing SSL technology R&D. However, after discontinuing the MTHEL program, it is necessary to establish other means to address required parallel development of weapons system components other than the laser generator, such as pointing and tracking systems, dynamic fire control, and integration into existing air defense architectures.

Question. Given that solid state lasers (SSL) will not be operational for at least a decade (by most estimates) do you agree that the chemical MTHEL laser is the best near-term option to pursue?

Answer. The only demonstrated Directed energy (DE) counter rocket, artillery and mortar (RAM) solution to date is the THEL chemical laser. But unfortunately, in its current form, the THEL is not easily deployable and could not provide a near-term, full-force protection capability against mortars. Due to the urgency of the requirement, the Army is pursuing a counter RAM kinetic energy solution based on an existing gun system to defeat the RAM threat and which is available sooner than a directed energy solution.

Question. Please expand on the Army's decision to "zero" MTHEL and does the Army plan to reconstitute the program with different goals?

Answer. The Army terminated MTHEL for three reasons. To fund other higher priority requirements, Israel decided to reduce its funding commitment to the program, and user concerns about supportability of the chemical laser.

The Army has no plan to reconstitute the MTHEL program with different goals. Due to the urgency of the requirement, the Army decided to fund an existing gun system to defeat the near-term rockets, artillery and mortar (RAM) threat. The shorter timeline for integrating the gun into the counter RAM architecture was a major factor in this decision.

The Army remains committed to directed energy capabilities. The Deputy Assistant Secretary of the Army for Research and Technology has a robust Science and Technology effort aimed at development of solid state laser (SSL) technology. Solid state is the technology the Army will pursue long term.

FUTURE COMBAT SYSTEMS

Question. It is my understanding that the Army's biggest technology investment, the Future Combat System program, has been restructured to begin introducing more advanced network systems to the current force.

Can you discuss this restructuring initiative and describe the near-term benefit to our troops in the field?

Answer. On July 22, 2004, Army officials announced plans to accelerate the delivery of selected Future Combat Systems (FCS) to the current force. The plan expands the scope of the program's system development and demonstration (SDD) phase by adding four discrete "spirals" of capabilities at two-year increments for the current forces. Spiral 1 will begin fielding in fiscal year 2008 and consist of prototypes fielded to the evaluation brigade combat team (E–BCT) for their evaluation and feedback. Following successful evaluation, production and fielding of Spiral 1 will commence to current force units in 2010. This process will be repeated for each successive spiral. By 2014, the Army force structure will include one Unit of Action (UA) equipped with all 18 + 1 FCS core systems and additional modular UAs with embedded FCS capability. This is the centerpiece of this adjustment: providing the current force with FCS capability sooner rather than later. Examples of the technologies that will be received in Spiral 1 are the non-line of sight launch system,

integrated computer system, a version of the system of systems common operating environment, unattended ground sensors and intelligent munitions system.

Question. It is also my understanding that FCS will be comprised of a family of networked air and ground-based systems that will ensure warfighters and commanders are more interconnected than ever before. I assume that testing of these networked systems will require an environment that has minimal radio frequency emissions.

As you know, White Sands Missile Range in New Mexico offers the most comprehensive testing environment for military systems in the world. Furthermore, Southern New Mexico has relatively low frequency interference and may be well-suited for FCS "system of systems" testing.

Would you care to comment on the type of environment that is optimal for FCS systems testing and whether you believe WSMR might suit such testing needs?

Answer. The test program for the Future Combat Systems (FCS) detailed in the Test and Evaluation Master Plan (TEMP) was approved by the Office of the Secretary of Defense on May 8, 2003 and is presently under revision. The test strategy is well integrated into the systems engineering process and is characterized by a "crawl, walk, run" paradigm. Multiple integration phases are used to develop and integrate the Units of Action (UA) first in simulation and progressing to hardware, as simulations are replaced by emulations and subsequently prototype hardware. A contiguous thread of modeling & simulation (M&S) augmentation and support will be maintained throughout all testing and integration phases. These M&S include representations of components, systems, forces (UA, UE, Joint, and opposing forces), and threats; scenario generators; environment simulators; synthetic stimuli; and event controllers. These M&S will serve as input or nodes on the SILs and System of Systems Integration Laboratory (SoSIL) and wrap-arounds or players in technical field tests (TFTs), limited user tests, force development test and experiments, and the initial operational test.

Essential to the success of the FCS is the Army's resourcing of an Evaluation Brigade Combat Team (E–BCT) to generate the first FCS equipped UA. The E–BCT is a current force Modular Brigade Combat Team whose purpose is to support the development, testing and evaluation of FCS core program, spin out technologies, and combat development. The E–BCT will transition over time, as the FCS program matures and technology develops, to become the first FCS equipped UA.

The Program Manager-UA (PM UA) will utilize E–BCT Soldiers to facilitate a full-motion test strategy, where movement of the Soldiers to multiple test sites is minimized, and Soldier interfacing with systems is maximized. All human resources will be conserved and leveraged by synchronizing test demands and requirements, and focusing soldier utilization to drive down program risk. This will be accomplished by effectively and efficiently seizing the full opportunity to challenge and test to the SoS's highest potential. The strategy/plan allows for continuous-mode operations of training and learning for the E–BCT, with a robust feedback mechanism to support systems design/engineering. This facilitates continuous improvement, leading to superior fielded assets to our armed forces. As stated above, the current FCS TEMP is under revision to support a MS B update. Many potential locations are being considered, White Sands Missile Range being one of them. Therefore, PM UA Combined Test Organization and the U.S. Army Test and Evaluation Command (ATEC) are assessing what portion of the integrated qualification testing (IQT) can be performed at White Sands. This assessment will be included in next iteration of the FCS TEMP.

In addition to IQT, there are opportunities to access progress in a field environment during TFTs. A cooperative effort between the Lead Systems Integrator (LSI), ATEC, and the PM UA is currently defining range requirements and potential infrastructure upgrades to support the TFTs. A key to the success of the FCS test program is the SoSIL. The SoSIL is a distributed network that connects the LSI facilities in Huntington Beach, California (SoCAL Node) to their supplier's integration laboratories and the ATEC test ranges over the Defense Research Engineering Network. The single point of entry for the LSI to the ATEC ranges will be the Interrange Control Center (IRCC) located at the Cox Range Control Facility at White Sands. This facility is currently being developed and funded by ATEC as part of its growing distributed test mission. The IRCC will enable a key reach back capability to the SoCAL Node for FCS systems under test at ATEC ranges.

In conclusion, PM UA and ATEC are jointly assessing what portion of FCS IQT can be executed at White Sands to facilitate the full-motion test strategy detailed above.

QUESTIONS SUBMITTED BY SENATOR RICHARD C. SHELBY

JOINT COMMON MISSILE

Question. The Joint Common Missile (JCM) was terminated in Presidential Budget Decision 753. Eight months into Phase 1 of System Design and Development, JCM is a remarkably healthy, low-risk program—on schedule, on budget, and successfully demonstrating important new capabilities for the warfighter. Canceling the JCM ignores the opinion of our top military leaders and deprives our service members of a new capability they need to survive against future threats. Can you explain why this program was targeted?

Further, the JCM meets Joint Service requirements and fills a critical capabilities gap that cannot be met by upgrading existing weapon systems. For example, JCM has twice the standoff range of the Hellfire, Longbow, and Maverick missiles it will replace on Army, Navy and Marine Corps aircraft. The accuracy of its tri-mode seeker will give our forces precision-strike lethality to eliminate threats that are located near non-combatants. That is why the top-ranking officers in all three services that have requested JCM—the Army, Navy, and Marine Corps—all believe the program must be restored. How can you justify terminating this program?

Answer. The Office of the Secretary of Defense issued PBD 753, dated December 23, 2004, which terminated the JCM program. The Army is engaged with the Office of the Secretary of Defense, the Joint Staff, and the other Services to assess capability and inventory gaps generated by the JCM termination and evaluate courses of action which mitigate the termination.

Question. How is the JCM program performing against established cost and schedule milestones?

Answer. The program has performed extremely well with a schedule performance index of 0.97 and cost performance index of 0.91 on December 23, 2004.

Question. In particular, what is the projected unit cost for JCM at full-rate production vs. the unit cost of a less-capable Hellfire missile?

Answer. The Service's joint cost position identified for JCM an average unit production cost of $109,000 (fiscal year 2004 constant dollars) per missile based on a missile quantity of 48,613 with production planned for fiscal year 2008–18. Total program cost for the Army and the Navy is $8.1 billion ($1 billion for system development and demonstration and $7.1 billion for procurement). These are the baseline costs. The Hellfire model currently in procurement (Metal Augmented Charge AGM–114) is estimated at $78,000 (fiscal year 2004 constant dollars) based on a buy of about 13,250 missiles. The estimated unit cost of Longbow Hellfire is $137,000 for a buy of about 3,500 missiles; however, Longbow Hellfire is no longer in procurement and Maverick is estimated at $180,000 with an approximate quantity of 23,164 (fiscal year 2004 constant dollars) but is no longer in procurement for the Navy.

167TH THEATER SUPPORT COMMAND

Question. General Schoomaker, as you probably know, the future of Alabama's 167th, which became a Theater Support Command in 2000, is in jeopardy due to the Army's push to move from 5 Theater Support Commands to 4. Although I do not want to speculate, there appears to be an Active Component bias toward the 167th Theater Support Command—which comes at the expense of taxpayers' resources. Having one command under the control of the National Guard simply makes good sense in terms of stewardship of mission and cost. While I originally believed the issue would be resolved by moving the 167th under control of NORTHCOM, it now appears as if there may be resistance to this idea. In light of this development, I would appreciate hearing the Army's take on this situation. What is the current status of this issue and when do you expect to reach a resolution?

Answer. As a result of the Army's modular force transformation efforts, the Army Staff is revalidating every requirement and examining each organization to ensure the capability retained provides the most effective use of the force structure available. Part of the transformation of Theater Logistics includes conversion of the current five theater support commands to somewhat larger, more capable theater sustainment commands, each with multiple and separate deployable command posts. The exact number and locations of these organizations are, as yet, undetermined. The initial analysis and recommendations that have been staffed with the combatant commanders, Army components, and the National Guard Bureau have included several options for the 167th Theater Support Command that we continue to explore. A final decision on which course of action provides the best solution within our force structure requirements is pending a review of the mission capability

and accessibility required for each type of unit. The objective is to ensure an increased capability for Army theater logistics and a relevant mission for the Army National Guard.

The intent is to reach agreement on the number and locations of all theater logistics structures in early April.

QUESTIONS SUBMITTED BY SENATOR DANIEL K. INOUYE

PERFORMANCE OF STRYKER

Question. General Schoomaker, the first Stryker Brigade Combat Team was deployed to Iraq in late 2003. Concerns were expressed prior to its deployment that it would be vulnerable to the types of threats prevalent in Iraq today. Can you comment on the performance of the Team to date?

Answer. The first deployment of a Stryker Brigade Combat Team (SBCT) occurred in December 2003 when SBCT 1, 3d Brigade/2d Infantry Division (3/2 IN) took over U.S. military operations in northern Iraq from the 101st Airborne Division. The SBCT's unique combination of increased number of infantry Soldiers and a robust reconnaissance capability, have made the SBCT an extremely effective force in Operation Iraqi Freedom when compared to other brigades. The SBCT has effectively used speed and situational understanding to kill and capture a significant number of enemy fighters. Tactics include the rapid movement of infantry to objectives and the employment of snipers to reduce civilian casualty threat. They have earned the nickname of the "Ghost Soldiers," as the non-compliant forces (NCF) never hear them coming. The Stryker vehicle is designed to enable the SBCT to maneuver more easily in close and urban terrain while providing protection in open terrain.

Stryker vehicle survivability is exceptional; as of March 14, 2005, there have been well over 345 incidents where the vehicles have been subjected to hostile action. These vehicles have been involved in over 168 separate Improvised Explosive Device (IED) incidents in Iraq with only 25 vehicles declared battle losses, and over 58 incidents involving Rocket Propelled Grenades with one vehicle declared a battle loss. There have only been three fatalities directly associated with these incidents. A majority of vehicles involved with these 345 incidents were able to continue the mission or return to base under their own power. All non-battle loss vehicles were quickly repaired and many returned to duty with within two days.

The operational readiness (OR) rate for the Stryker vehicles is being maintained above 95 percent. As of March 14, 2004, the Strykers have been driven over 4.7 million miles in Iraq. There are approximately 105 contractors embedded in the Stryker Brigade, providing logistical support for the Stryker and other systems. These contractors, working closely with the SBCT's mechanics, have played a key role in maintaining the high Stryker OR rate. Resupply of Stryker-specific and other repair parts to the brigade is also being accomplished very effectively.

PERFORMANCE OF STRYKER IN SMALL SCALE CONTINGENCIES

Question. General Schoomaker, the Director of Operation Test and Evaluation was critical of several of the Stryker vehicle variants in his last annual report. Many of the vehicles in the Stryker family were judged to have limitations for use in small-scale contingencies. What is your response to that criticism?

Answer. I would say two things. First, the report published in January 2004 was completed prior to the Stryker's remarkable combat performance. Second, the range of conditions in which the Stryker has and is performing clearly demonstrates its value in small-scale contingencies.

The Stryker Brigade Combat Team (SBCT) is a full spectrum combat force. The SBCT is designed and optimized for employment in small scale contingencies in complex and urban terrain, confronting low-end and mid-range threats that may employ both conventional and asymmetrical capabilities. The SBCT's core capabilities are high mobility and an ability to achieve decisive action through dismounted infantry assault, supported by organic direct and indirect fire platforms, and enabled by superior situational understanding.

True, the January 2004, Director of Operational Test and Evaluation (DOTE) Beyond Low Rate Initial Production (BLRIP) report identified some concerns about the Stryker. Now, over 14 months since data cut-off for the referenced DOTE report, we are well into the second successful SBCT operational combat deployment.

During the past 16 months, at least one SBCT, comprised of 311 Stryker vehicles, has been deployed in Iraq and has continuously demonstrated and validated the effectiveness of this organization. The Stryker is but one of the many components responsible for the success of the SBCT. Thus far, the Stryker has proven to be ex-

tremely reliable and survivable in combat operations. The Stryker fleet in Iraq has logged over 4.7 million miles (over five times the projected annual usage level) and has sustained a readiness rate over 95 percent, exceeding the Army standard. These vehicles have been exposed to over 345 incidents of hostile attacks, including over 168 improvised explosive device and vehicular improvised explosive device attacks, and over 58 rocket propelled grenade attacks. The cumulative resulting battle losses from these 345 attacks are 28 Strykers as of March 14, 2005.

Army Test and Evaluation Command's (ATEC) January 27, 2004, summary assessment of the Stryker family of vehicles stated "Overall, the Stryker family of vehicles is effective, suitable, and survivable; Engineer Squad Vehicle (ESV) suitability to be determined with additional testing. Stryker vehicles contribute to the key operational capabilities of the SBCT and achieve the desired capabilities of a medium-weight force which is more lethal, mobile, and survivable than light forces and more deployable and more easily sustained than heavy forces."

ATEC's assessment was that "vehicle performance limitations can be mitigated through (1) force augmentation as outlined in current doctrine, (2) tactics, techniques and procedures and unit leader training, (3) tailored support packages and (4) focused product improvement initiatives." The DOTE concerns were discussed during the Army System Acquisition Review Council (ASARC) in January 2004, where it was recommended that a systematic process be implemented to address these issues. During the Defense Acquisition Board Review, the Defense Acquisition Executive concurred with the ASARC recommendations and authorized full rate production of seven of the 10 Stryker configurations.

Actions the Army has already implemented include: refined the tactics, techniques and procedures for Stryker employment; provided digital capability to all Strykers in the SBCT, ensuring that every Stryker crew has full access to situational awareness information; corrected the quality control and assurance process for the Modular Expandable Armor System (MEXAS) such that all 14.5 mm ceramic appliqué armor meets the correct protection level; issued MEXAS battle damage repair kits to the Stryker Brigade in Iraq; improved the silent watch capability through routine component replacement with a battery possessing higher storage capacity; validated several improvements required for extreme cold weather operations; replaced the current automotive-style seat belt with an aircraft-style belt that accommodates easier use in full combat gear; applied selected force protection improvements to enhance crew survivability; and recently awarded a production contract for one brigade set of Rocket Propelled Grenade add-on armor.

Actions currently being implemented in production, and planned for full retro-fit to previous delivered vehicles include: upgrading the remote weapon station with a more powerful thermal imagery sight, laser range finder, auto-focus and several other improvements; incorporating built in diagnostic capability; and integrating several human factor engineering modifications.

Major design actions currently in development include: improved central tire inflation system to accommodate the increased weight of add-on armor; and improved crew escape hatches for emergency egress.

We are continuing to assess emerging technologies and review recommendations from the deployed SBCT to further enhance the capability, force protection and performance of all the Stryker vehicle configurations.

SUBCOMMITTEE RECESS

Senator STEVENS. The subcommittee will reconvene next week, March 16, at 10 a.m., when we will hear from the Department of the Navy.

[Whereupon, at 11:20 a.m., Wednesday, March 9, the subcommittee was recessed, to reconvene at 10 a.m., Wednesday, March 16.]